THE FINANCIAL POST

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HOPE FADING FOR MATERIAL CUT IN BUSINESS TAXES

Hardly Possible if Tariff Change Reduces Revenue

FARMERS AND WAGES

Western Grain Growers Realize Labor is Big Factor in Costs of Transportation and Supplies

The comment in this column last week that the tariff reductions referred to in the budget, would, if made effective, preclude the possibility of material reductions in taxes, "hit the nail on the head," in the opinion of a close student of public affairs, who has been investigating the situation at Ottawa. He says that this is a phase of the budget which is being generally overlooked.

There are signs at Ottawa that the strong public protest over the national expenditures is having effect and that among other things there will be a material reduction in the number of civil servants. It is also understood that certain expenditures for public works, considered as sure, will have to stand over. Still it cannot be said that material reductions in the income tax are in prospect. The customs revenue during the last year has only been increased by a little over $2,000,000, and that in spite of an increase of over $121,000,000 in imports. With further tariff reductions, it is impossible to see how there is much likelihood of appreciable reductions in direct taxation. This is quite understandable, for nothing in the form of compensating revenue has been provided to make up for losses that the treasury would sustain through a reduction in the income or sales tax.

The indications are that the Government has not yet realized that the demand for taxation relief is of vital importance. At present there is little on which to base a hope that tax cuts resembling those favored by the House of Representatives in the United States are to materialize in Canada. In the United States they have not only saved substantially on expenditures, but there have been tariff increases rather than deductions and increased revenues.

The situation is not encouraging to business. The intimation of tariff reductions not only affects the very important implement industry but it indicates a tendency to cater to the low tariff faction which may have its effect in other industries; there would seem to be little hope for the woollen industry under these conditions.

Brantford, Kitchener and other industrial centres, are sending protests to the Government against tariff reductions. The Brantford Expositor, an Independent Liberal paper, declares that every effort ought to be made to combat the proposal; the Expositor fears that the carrying out of the proposal would be fatal to the farm implement industry in Canada.

Actual developments in the business situation indicate little change from what has already been reported. Additional orders for railroad cars, locomotives and rails are reflected in increased activity in the steel industry.

Wage Cuts Essential

Reference has previously been made in this column to a growing realization on the part of the farmers that their activities should lie in the direction of diversifying their products, and reducing production costs rather than in an effort to artificially raise prices. At the economic conference at Winnipeg this week, they have presented arguments for reduced taxes and for an adjustment of wages to permit of lower freight rates and reduce the cost of the manufactured products they must buy. Western farmers go so far as to say that unless the readjustment in wages, and lowering of prices is effected, they will be driven off the land. They contend that wages should bear a relation to the prices of food and that this relationship is out of line at present. All statistics support their contention—wages to-day indicate a higher buying power, even at prevailing prices, than ever before in peace times.

The increase in the tariff on Canadian wheat entering the United States, does not seem to have aroused great concern. The Grain Commission has pointed out that American purchases have only been those necessary to bring up the quality of American flour and that these will no doubt be continued. On the other hand, it is pointed out in the United States that Canadian millers gain an advantage in world markets, while the increase has only been made after the official admission that the Canadian farmer has very material advantages as a grower of wheat.

The Trend of Prices

During February there was a further improvement in the market price of grains, fruits, etc., but animals and their products showed a decline, increased prices for live stock, meals, beef-hides, etc., being offset by decreases for eggs, bacon, lard and cheese. Textile and textile products and iron and iron products registered a decline.

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Saskatchewan Cut Its 1923 Overhead $1,741,000

From Our Own Correspondent.

REGINA.—Both sides of the house joined in hearty applause when Premier Dunning informed the Saskatchewan legislature that the government of the province had expended $1,741,000 less during the last fiscal year than during the preceding year, and that it will spend during the current fiscal year about $700,000 less than last year. The brakes were put on by the provincial treasurer, who is also premier of the province, some time ago, and a gradual reduction of the civil service and curtailment of expenditures has made it possible to reduce the cost of government substantially without resorting to any violent dislocations of governmental service.

TARIFF IS BONE OF CONTENTION OF THE DEBATE

Developing Into Fight Between West and East

From Our Own Correspondent.

OTTAWA.—A strong tug of war over the tariff continues. The speeches of Senator Casgrain and H. M. Marler indicate that Montreal supporters of the government are apprehensive of the effect of important reductions, and it is well known what certain Ontario supporters think of them.

On the other hand, there is the steady pressure exerted by the Progressives for reductions, which, if anything, will be stronger rather than weaker as the session grows. They think that this is their day of opportunity, and will do their utmost to bring about the realization of their expectations. They will soon be reinforced by Mr. Crerar, and through the assistance of Hon. A. B. Hudson, will get what support Western Liberalism can impart.

The general position of those who oppose reductions in the tariff just now is strengthened by the increase in imports occasioned through the downward plunge of the French and Belgian francs. It is a development quite unexpected when the present general tariff policy was framed, and as it runs counter to the general purpose of the anti-dumping portions of the Customs Act, there is wonderment that measures have not been taken to restrict the inflow of low-cost-of-production goods from certain European countries.

BELL "RIGHTS" LOOK LIKE REAL BARGAIN

They Enable Investor to Buy Telephone Stocks at About $125 a Share

From Our Own Correspondent.

MONTREAL.—There has been a considerable amount of trading recently in Bell Telephone "rights," and they went above the $5 mark this week. The rights to subscribe are good up until March 31.

There is a considerable disparity between the value of the rights in the market and the price at which Bell Telephone stock is selling. With rights at $5 an investor can buy the rights and get stock at the equivalent of about 125¼ a share after adding brokerage charges. Yet Bell stock is selling at over 130, and touched 132⅛ last week. This makes the rights a very attractive method of subscribing for Bell stock.

Of course, there are reasons for the seeming disparity in prices. Under the terms of the agreement under which the stock is issued payments must be made in instalments, and stock will not be delivered until January 1 next. In the interval interest at the rate of 6 per cent. will be allowed on the instalments, and this interest payment will take the form of a reduction in the final payment This method of handling the new stock issue takes away some of the advantages of the low price of the rights, but for most investors buying for income rather than quick turnover the factor is not of importance.

For a while the rights sold around $4 a share, when they were indeed a bargain.

Alberta Farmers Want Men for Dairy Work

From Our Own Correspondent.

CALGARY.—Taking no chances of an inadequate supply of farm labor for spring work, Alberta farmers are grabbing off all available men at the present time. The demand is now heavier than it has ever been in previous years at the corresponding time and there is every indication that more men will be required here for spring work than in other years.

DUTCH FARMERS COMING

VICTORIA.—The Minister of Lands has announced that a Dutch organization has offered to purchase two hundred thousand acres of land in the Stuart Lake district for the purpose of colonization of Dutch agriculturists.

PRUDENTIAL TRUST FIGHT FOR PROXIES GETS INTO COURT

Opposition Group Barred by Judge From Voting at Meeting

SEEK DIRECTORATES

Quebec City Shareholders Seek Re-election of Their Directors and Thorough Re-Organization

From Our Own Correspondent.

MONTREAL.—The annual meeting of Prudential Trust Company, called for Wednesday of this week, gave promise of being a somewhat fiery affair, for there has been a battle for proxies under way for some weeks. But the expected fight came to naught when the company's largest shareholders got an injunction restraining the representatives of the so-called "adverse" group of shareholders from exercising their powers of attorney. The meeting could have continued and could have proceeded with the re-election of directors under the powers of attorney granted the president, but, upon advice of counsel, this procedure was not adopted, and the meeting was closed. A new meeting will be called before the 15th of May, to which date the interlocutory degree extends unless upset by the minority shareholders in the courts.

This indicates a renewal of the campaign for proxies.

Fight Led From Quebec City

The movement against the board of directors as at present constituted emanated from Quebec. Vesey Boswell, Lt.-Col. J. S. O'Meara, and W A. Home, constituted the committee of Quebec shareholders, and they asked for proxies in the name of Hon. Frank Carrel, and Alphonse Gourdeau. All of these are from Quebec city.

The group sought for proxies in order to "continue constructive work which they have started in connection with the company." This could not continue, they pointed out, unless they had a majority control of the company. One of their circular letters stated that they constituted the largest section group of shareholders in the company, and that "every one of the forty-five shareholders in this city (Quebec) is of the opinion that it is necessary to have the assistance and support of outside shareholders to continue our constructive policy."

The committee felt that the shareholders' interest would be best served by a complete reorganization of the company.

What They Are After

A letter sent by the Quebec committee to the various shareholders outlined their policy as follows:

"The undersigned, a committee representing the Quebec shareholders in the Prudential Trust Company, Limited, and possibly the largest individual group of shareholders of the company, asks for your proxy, and at the same time put before you the following, amongst other reasons for so doing, namely:

"1. The committee anticipates a movement for the betterment of the company's affairs in the near future and desires to fully protect its interests equally with yours.

"2. The committee desire to ensure the re-election, to the board of directors of the company: the Hon. Frank Carrel, proprietor of the "Daily Telegraph," Quebec, and Mr. A. Gourdeau, assistant general manager of the Bank La Caisse d'Economie, Quebec, both of which gentlemen are fully conversant with the company's affairs, and have its welfare at heart.

"3. The company's annual statements, in the opinion of this group of shareholders, are unsatisfactory, and it is felt some policy should be adopted which will be to the advantage of the

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NORWEGIAN STRIKE CUTS U.S. IMPORTS

Result Should be a Benefit to the Paper Industry of Canada

From Our Own Correspondent.

NEW YORK.—The closing of the Norwegian pulp and paper mills has already affected the volume of overseas newsprint imports. Total overseas imports of newsprint for January, 1924, were 12,351 tons, against 22,662 tons in 1923. An even more marked decrease occurred in the case of Norwegian imports. In January Norwegian imports were 1.466 tons against 3,004 tons in 1923. Expressed in a percentage the decrease in the volume of total overseas imports was 46 per cent.

The extent of the contraction in the volume of the overseas and Norwegian imports is made clearer by the following comparative statistics:

U. S. Imports of Norwegian Newsprint

	Tons
January 1921	5,612
January 1922	2,376
January 1923	3,004
January 1924	1,466

U. S. Imports of Overseas Newsprint

	Tons
January 1921	14,903
January 1922	12,270
January 1922	22,262
January 1924	12,251

First Things First at Ottawa

In announcing that the government would bring down a balanced budget, Premier King very well stated public opinion throughout Canada when he said: "We believe that what the country wants to-day is as little in the way of public expenditure as possible . . . We believe that what the country needs above everything else is a reduction in taxation."

But almost in the same breath the premier created doubt as to the government's sincerity when he added: "We think we have come to a point where it will not be possible to go much further in the way of depriving the country of some of the public buildings and public works of which it is in such great need and . . . . . we must take up the work of constructing some of the public works . . ."

The first statement was based on the sound economic need of the country—the need for less spending and lower taxation. The second was one of political expediency—the intimation that the public purse strings would not be held tightly for long and that expenditures on new public works and public buildings would only be deferred, possibly until the popular wave of economy blows over. It is not hard to foresee that before another political campaign there may be very substantial public expenditures which the government will decide as necessary. And as it is good politics for the government to spend money, so it is evidently good politics for the opposition to refrain from criticizing such spending, for the opposition members have been silent regarding the premier's significant qualification of his promise of economy.

THE FINANCIAL POST is convinced that even though there may be strong demands for public works, it is far more important, in the interests of business and the general prosperity of the country, that taxation should be reduced. Canada is over-built as to industrial facilities, she is over-built as to government and municipal facilities and she is over-built as to transportation facilities. When a private business enterprise is over-expanded, the only sound policy is to curtail expenses and put the concern on a profitable basis; expenses are cut to that end; new ventures are deferred until they can be financed out of profits. What is sound practice in private business is sound practice in public business, no matter how the politicians may try to make it appear otherwise. For the time being expenditures should be directed to increasing the business being done with existing public machinery and facilities rather than spending money on new facilities. A business that has been going behind might advisedly spend some money to get orders, but it would be a poor policy to increase the plant before additional facilities could be profitably employed.

Canada will welcome a balanced budget. But a balanced budget is not enough. The budget must be framed to reduce taxes and encourage immigration and capital for new enterprises. Public expenditures on capital account should be curbed and a financial program arranged which will segregate the war debts and provide for their eventual payment. And these things will only be done when the government is convinced that the demand for economy is not a passing public fancy.

Canada Should Bargain For U.S. Paper Market

Twenty years ago one of the livest questions of the day was an embargo on pulpwood. To-day Canada is still discussing the same question.

When the question first came up, Canada went half way in prohibiting the export of pulpwood. The four big pulpwood provinces put embargoes on the export of wood from crown lands, and as a result the United States was forced, by the pressure of the big publishing interests, to give free entry of Canadian newsprint into that country. From that time dated the tremendous expansion of the Canadian newsprint business, now Canada's biggest exporting industry. To speak of the expansion and prosperity of the Canadian pulp and paper industry is really misleading. The newsprint industry in Canada is prosperous but the pulp mills are far from prosperous, and the high-grade paper and wrapping paper mills are not rolling in wealth by any means.

Canada only went half way with its provincial embargoes. This country still permitted American capitalists to buy vast stretches of forest lands and to strip them bare of their trees to fill the maw of grinding machines located across the line. Section after section of the country was denuded by interests who had little or no desire to perpetuate the forests of the country but who slashed and hacked at our greatest natural resource and paid us a few dollars in lumberjack's wages, a few dollars in freight charges and a few dollars for the land. Export of raw wood from freehold lands has never been prohibited from Canada. For that matter, export of wood from crown lands has never been entirely prohibited, for through the system of special licenses and by lax checking up of the source of wood shipments labeled as from freehold lands there has always been a large amount of crown lands wood shipped from Canada, raw and unfinished.

Altogether apart from the fact that this action has drained our forest resources without giving us adequate return, it has been grossly unfair to Canadian pulp and paper makers outside of the newsprint field. Consider the position of a concern making wrapping paper in Canada. This company cuts down the trees and converts them into kraft pulp and groundwood pulp. If it wants to sell this semi-finished product across the line it may ship it into the United States duty free and get anywhere from $25 to $65 a ton for it. It probably will not make money out of it. There is hardly a company in Canada to-day making pulp only that is prosperous, for the pulp meets with terrible competition from European pulps and the price ultimately received is apt to be less than the cost of production. How true this is can be seen from a survey of the number of large Canadian pulp companies that are now in bankruptcy.

But if this Canadian company manufactures that pulp into paper in order to get $150 a ton or more for it, the door into the United States market is closed. There is a tariff wall so high that it prohibits sales of Canadian wrapping paper or Canadian high-grade paper in the United States.

The Canadian company cannot sell its paper in the United States, but an American manufacturer can cut wood alongside the Canadian company's timber limits, ship the wood into the United States, make it into paper and sell it at home.

If Canada is going to continue to sell pulpwood to the American manufacturers, Canada ought to get in return free entry for all Canadian wood products into the United States.

Canada wants the embargo on pulpwood but it would be willing to give up the embargo for something just as good. There exists to-day an opportunity to build up one of the greatest of Canadian industries. Let the government at Ottawa bargain with the United States on the pulpwood embargo. Canada is in a strategic position to strike good terms.

Free wood for the United States and a free market for Canadian paper in the United States would result in numerous paper mills springing up around our bankrupt pulp plants. There would be hundreds of new jobs created for Canadian workmen; thousands of tons of new freight for Canadian railroads; dividends for investors who are now in danger of losing much of their investment.

Canada ought at least to give itself an even chance to make money out of its forest. Free entry for our papers into the United States is worth striving for.

Large Number of Firms Shared in Sales of Tax Free Bonds

Provincial Treasurer Bought $505,250 of Bonds From Provincial Securities Corporation—Seek Identity of Those Interested in Firm

Apart from political considerations the interest of the taxpayers in the controversy in the Ontario Legislature, over the purchase of free from succession duty bonds by the previous government, lies in determining how much the province lost through unwise purchasing and whether anyone received a profit from the transactions through improper practices. Few question the wisdom of buying in this type of bond under the circumstances. The question of the prices paid is another matter. The wide variation in these leads to a feeling that considerable money might have been saved the province by closer bidding.

A list of the firms and private persons from whom the bonds and inscribed stock were purchased during the period from October, 1920, to October, 1923, and the totals from each is as follows:

Gairdner, Clarke & Co.	$2,153,455
G. A. Stinson & Co.	1,794,920
Browning, Harris, Northey & Co.	1,638,190
Dominion Securities Corp.	960,715
Donald, Mason, White & Foulds	564,100
Provincial Securities Corporation	505,250
Kerr, Fleming & Co.	377,340
Osler & Hammond	250,000
Wood, Gundy & Co.	243,355
Dyment, Anderson & Co.	212,800
McLeod, Young, Weir & Co.	184,530

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MINE WORKERS LIKELY TO FORM THEIR OWN UNION

A Crisis Brought on by Defeat of New Agreement

McLACHLAN POPULAR

Miners Likely to Follow Him Rather Than International President Lewis—Funds Not Forthcoming

From Our Own Correspondent.

SYDNEY.—The withdrawal of the United Mine Workers from Canada and the organization of an all-Canadian union, embracing the miners of Alberta and Nova Scotia, is the imminent outcome of the decisive defeat of the Montreal agreement by the men of District 26 on Thursday last.

The new organization would be in effect One Big Union, though only a union of all mine workers instead of all classes of manual labor, as the promoters of the original O. B. U. so fondly hoped in 1918. It will be headed in the east by McLachlan and Livingstone, and in the west by men who were prominent in the radical labor movement a few years ago.

According to local interpretations of the U. M. W. constitution, no district is allowed to work except under contract with the operators. Through the rejection of the Montreal pact and yet remaining at work, the Nova Scotians are apparently openly violating this professed "cardinal principle" of U. M. W. tactics.

Courses Open to Lewis

The courses open to International President Lewis are now as follows:

1. He can furnish the miners with support to renew their suspension of work and try to negotiate a more satisfactory contract;
2. He can go one step further along his present course and cancel the local as well as the district charters and place provisional officers in charge everywhere;
3. He can withdraw his organization altogether and leave the miners to conduct their affairs as best they can.

Many people have been banking on the fear of being left without financial resources of the International to keep the miners from leaving the U. M. W. for a national union. Such persons will realize that they are leaning on a broken reed when they learn that all the recent strikes and coal troubles in Nova Scotia have been carried on by District 26 without a cent of International support and often with a depleted local treasury. Even the provisional executive, the direct appointees of John L. Lewis, have got no financial help from Indianapolis during the recent strike of several weeks.

Union Orders No Good

This truth was brought home with startling force to the public last week, when Sydney Mines merchants took steps to recover the value of $40,000 worth of groceries, which they had supplied to striking miners

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1857	1,103,078
1862	1,393,472
1872	5,524,075
1882	7,156,661
1892	11,008,794
1902	19,181,925
1912	48,126,011
1917	61,737,340
1922	71,830,546

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CITY WAGES THE GREAT PROBLEM OF THE FARMER

Cut Down His Profits and Increase His Costs

ON UNSOUND LEVELS

Strong Unions Maintaining Return to Workers Above Earning Power and Yet Want Increases

By WILLIAM IVERACH,

From an Address Before the Employers' Association of Manitoba. Mr. Iverach is a large-scale farmer, general store-keeper, and lumber merchant at Isabella, Man. He is President of the Canadian School Trustees' Association and Member of the Manitoba University Board.

I have seen people reaping with the sickle, the scythe, and the cradle, binding the sheaves by hand and threshing with the flail. In those days it took the labor of about 30 men to do what one can do now with modern machinery.

Because a man living on a farm and producing wheat or other food and using modern machinery that enables him to produce as much as 30 men could some years ago, it does not follow that he is the only one engaged in food production.

The man engaged in making the machinery in your factory is just as much engaged in food production as the man who is using it on the farm. So is the man who is digging the ore and the coal from the bowels of the earth to make it with. So is the man who keeps the books that make systematic and economic production possible.

If the statement was true in the days of the great Apostle, that: "No man liveth to himself" it is doubly true to-day in an industrial and commercial sense, and no section of our people can suffer or be unduly oppressed for any length of time, (that is any section that is engaged in an essential industry) without every other section and class also feeling the effects of it.

The producers of food on these prairies have been down to the export basis of prices for four years while many of the commodities he must use in his industry or in his living, is still on a war basis, with the natural consequence that all his accumulated surplus is gone.

The economic decrease we are suffering from is caused by a maladjustment of prices due to war conditions

As I said at the beginning, farmers have for four years been selling at or below pre-war prices, while many of the things he buys are still on the war basis.

Unbalanced Labor Values

A man will not stay on my farm for $23 per month and board while you continue to pay his cousin or his brother 75c. to $1 per hour in the city.

If you wish to stop the trek to the city you must make your own standard of wages somewhat on a par with what your customers can pay and get the length of the day somewhere nearer equal.

A few years ago when men were desperately scarce during the war, I watched a gang of railway men shovelling coal into a bin. I was waiting for a train on the main line of the G T. P. I thought the process was rather slow so I singled out one man who was working at about the same gait as the others. I took out my watch and the first minute he threw in two shovelfuls; the second he threw in three and the third two. This gait for an 8 hour day at a time when the farmer and his women and school children were putting in from 12 to 16 hours for six days and nearly half of that on Sundays.

Only last summer, a blacksmith who could not collect his accounts at one of our country towns, went broke and went to the city and secured a job; at the end of the first day he had a deputation of his fellow workmen wait on him and tell him that if he wanted to avoid trouble he must cut down his production. "Why, man," he was told, "you have nearly done enough to-day for three days. We're not going to stand for this sort of thing; if you are going to work here you must do like the rest."

One of your good citizens told me recently of employing a man to lay some shingles for him—a small job which ought to take a few hours. At night the man came back and looked at the man: "Why, you are not done yet; you used to be able to do a little job like that in a few hours; are you failing; is old age beginning to tell on you?" "Oh, no, it's not that, but the union now limits us to so much and if I exceed that I will be in trouble. I would like to do it but I dare not."

Some years ago I worked in Chicago, I had a good many friends in the building trade there; on a plain rough wall a bricklayer would lay about 2,000 brick. I'm told when visiting with the same friends three years ago the union now restricts a man to 800.

A Winnipeg Example

You will remember about the spring of 1920 the fair wage board sat for nearly a week trying to arrange a satisfactory schedule of prices between the master builders in Winnipeg and their men. They at last arrived at a schedule that was satisfactory to two of the parties concerned and they did not consider the third, the man who was to pay for the building. Well, he did his own considering, and came to the conclusion that he had better keep the money in his pocket, which he did and is still doing it or buying government bonds with it, but it is not being invested in either buildings or industry, or won't be until such time as a building can be erected again at a price that will leave the investor some chance of getting some little return on the investment.

It is not much use talking immigration and getting more people on the land while a bricklayer gets as much money for one day's work as a farmer can produce from a whole acre of land for a year, and while a railway conductor can put away more money for one month's work than a farmer with $30,000 invested can put away in a year.

The farmers of the West produced four hundred million dollars of new money last year, but there is not going to be good times here until conditions are such that he can use a fair proportion of it for his own comfort.

A man was working for one of my neighbors for a few days in 1922; he was getting $4 per day but wanted to quit. The farmer wanted to know what was wrong. "Oh, nothing, but I don't see why I should work for you for $4 per day from daylight till dark when I can get $16 at my own job." He was an Alberta miner.

Reduce taxation by getting rid of some of the freak legislation our province is now staggering under.

Reduce the cost of manufacture by seeing that a man does a fair day's work for a fair day's wages, and by all means let us try to develop self-respect again amongst our people by insisting that our governments cut out paternal legislation and cease making paupers of us all. Reduce the cost of transportation by applying the same remedies.

Make it illegal for our labor unions to be tied up and controlled by unions having their headquarters in foreign countries, a practice that has sometimes permitted our men and our industries to be used as pawns by interests in other countries.

Let us have common honesty between man and man and give all protection possible to the men and women who are willing to invest their small savings in our industries; buying government bonds is all right but we need capital to develop our natural resources and industries.

HOW PROPOSED TURNOVER TAXES WOULD WORK OUT

Success Would Depend on Interfering Less With Trade

Answering a number of questions regarding the proposed turnover tax to replace the present sales tax, the Citizen's Research Institute of Canada concludes that the possibility of a 1 per cent. turnover tax producing as much revenue as the present sales tax depends on interfering less with business and encouraging larger gross sales, and its application to all sales of commodities, and possibly to all sales of services. Following are some of the questions and answers:

Q. Would the proposed turnover tax produce sufficient revenue for the purposes indicated?

A. The percentage (1%) is less than that of the Sales Tax (6%) but the commodity turnover tax would be applied to total gross sales of all commodities at all stages of distribution, and, if the general turnover tax were adopted, it would be applied to all turnover of all businesses and professions seling either services or commodities.

The estimates of six different authorities in the United States as to what a general turnover tax would produce in that country vary between $1,700,000,000 and $6,720,000,000. Proportionately the annual return in Canada from a general turnover tax should lie between $130,000,000 and $520,000,000. The average of the guesses would be about $325,000,000. It is quite impossible with the data at hand to estimate the returns from a straight commodity turnover tax, but they would probably be sufficient to counterbalance the loss of the Sales Tax and of several of the particularly vexatious taxes.

Q. Would the banker, broker, commission merchant, engineer, lawyer, physician, etc., be taxed under the general turnover tax, or the personal income tax?

A. Where there is no capital investment, no capital account, and where, therefore, all the income would accrue

(Continued on page 3)

Income Tax for Corporations

By ARTHUR H. ROWLAND, Montreal.

Organization expenses and re-organization expenses are not allowed as deductions for income tax purposes, either in one year or when written off over a term of years.

In connection with re-organization of a corporation two points of considerable interest frequently arise, namely, distribution of accumulated surplus and appreciation of fixed assets as a result of revaluation. With regard to distribution of surplus, this is taxable in the hands of the recipients in the same way as a dividend (i.e., the liability is to surtax only) if it represents a distribution of accumulated profits, and it is taxable whether distributed in cash or in securities of a new company. That the recipients are taxable on this distribution, even though they receive no cash, is a result of stock dividends being taxable under the Canadian law.

Some cases have occurred in which a distribution to shareholders has been made as a result of the writing up of fixed assets. In such cases, the distribution is not taxable in the hands of the recipients.

With reference to the appreciation of fixed assets through re-valuation either as a result of re-organization or in order to bring these assets more closely in line with present-day values in the company's books, such appreciation is not recognized by the department for purposes of subsequent depreciation, and the department goes back to original cost values in order to establish the basis upon which depreciation should be allowed

Deductions for Depreciation

In connection with depreciation, it is necessary to bear in mind the wording of the second paragraph of Section 3 of the 1923 amendments. That paragraph forbids the allowance as a deduction of any outlay, loss or replacement of capital, or any payment on account of capital, or any depreciation, depletion or obsolescence, except as otherwise provided in the Act. The otherwise provision contained in Section 2 of the 1919 amendments is as follows:

"Such reasonable amount as the minister in his discretion may allow for depreciation, and the minister in determining the income derived from mining and from oil and gas wells and timber limits, shall make such an allowance for the exhaustion of the mines, wells and timber limits as he may deem just and fair."

One point in regard to depreciation which may be mentioned, although it is probably familiar, is that the department will not accept any claim for depreciation on the standard rates fixed by the department, unless such depreciation is set up in the books of the taxpayer and maintained there. The standard rates of depreciation allowed on such fixed assets as buildings, plant and machinery, are well known, but I may say that there has now been built up a series of rulings, covering the rates of depreciation allowed on fixed assets of many different kinds.

Disallowing Moving Expenses

Section 3 of the 1923 amendments again comes into play in the disallowance of moving expenses. It may be noted also that in an English case in which this point was involved the privy council held that:

"The cost of transferring a plant from one set of premises to another and more commodious, is not an expense incurred for the year in which the thing is done, but for the general interests of the business."

Bad Debts.—These may be either written off direct to profit and loss when ascertained to be worthless, or a reserve may be set up and bad debts charged against such reserve. The use of the two methods concurrently is not permitted. When the method of reserve is used, such reserve is expected to bear a definite relation to the amount of accounts receivable. Bad debts written off during a taxation period and subsequently recovered must be shown as income of the year in which they are recovered.

Next week: Interest on assessments, patents; pension funds; loss on shares and appeals.

TARIFF RULINGS

Canadian and Foreign Decisions of Interest to Exporters and Importers

FINLAND.—Duties are considerably reduced on—Cocoa, coffee, tea, grape sugar, etc.; confectionery; liquors; certain spices; most preserved meat products; manufactured nad unmanufactured tobacco; certain of the following fabrics: cocoanut fibre, jute, linen, hemp, wool, and silk; laces; hosiery; knit goods; waterproofed fabrics; corsets; luxury articles of clothing; umbrellas and parasols, silk or mixed; braces; belts, etc.; fancy trimmings; bedding; silk bags, purses, etc.; ornamental feathers; fans; veneer wood; carbon papers; wall papers; playing cards; manufactures of mother-of-pearl, shell, etc.; corals, precious stones, and imitations; leather gloves, belts, bags, etc.; rubber mats; gold, silver, and platinum wares; certain iron and steel bars; cutlery; saddlers' wares; certain manufactures of base metals; certain electrical machines and special apparatus; certain industrial machinery; calculating and adding machines, cash registers, typewriters, and duplicating machines; automobiles, phonographs, gramophones, music boxes, and barrel organs; certain watches and clocks; manufactures of amber and jet; chinaware, crockery, and earthenware; insulators; vegetable and animal oils in packages less than 15 kilos; graphite; ethyl ether; caustic soda; table salt; chloride of lime; and tobacco pipes, etc.

ARGENTINA.—Import duties on automoblies in Argentina will now be collected on the list price published in the standard American trade periodical, plus 10 per cent., converted at the normal rate of exchange.

NEWFOUNDLAND.—The fixed minimum valuations for boots and shoes imported into Newfoundland established by the customs circular issued October 8, 1923, by the Newfoundland Deputy Minister of Customs, have been rescinded, according to advice from the Deputy Minister of Customs, pending an act that is expected to be introduced in the assembly during the coming session.

BRAZIL.—The budget law puts many articles on the free list, including—All plant, apparatus, and instruments (and parts and accessories thereof), including tractors, etc., and chemical manures, when imported by agricultural syndicates. Plant and accessories for fitting up factories to make paper pulp out of wood and rice straw, and machines and accessories for making the pulp.

Among the provisions of the budget law providing for the admission of various goods at reduced rates of duty, the following may be mentioned—Mineral coal imported by companies for the manufacture of gas and its supply, duty 2,400 milreis per ton (razao 50 per cent.); copper rods, brass, etc., of various kinds, when imported by manufacturers as raw material for the manufacture of their products; and material necessary for water, gas, power, telephone, and transportation undertakings run by the States, municipalities or companies.

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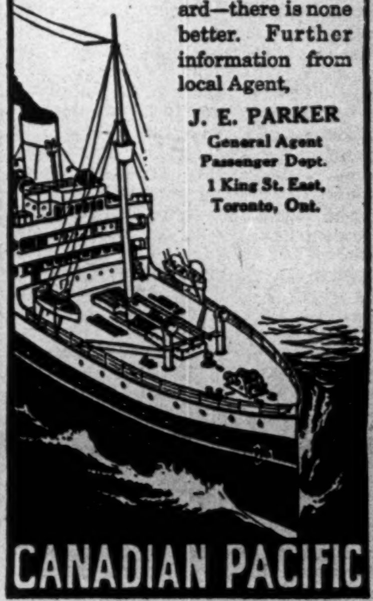

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CANADA MUST CUT INCOME SURTAXES OR DROP BEHIND

This is Growing View of Business Men of Canada

WHO REALLY PAYS?

Wealthy People Have Stopped Worrying About Sur-Taxes For They Do Not Suffer From Them

From Our Own Correspondent.

MONTREAL.—The United States is greatly reducing its surtaxes on large incomes, and Canada will have to follow in the van if the business men and investors of this country are to be given equality of opportunity with the business men of the south, is the essence of opinions many business men are expressing. Canadian surtaxes were, even before recent reductions in British and United States tax rates, the highest in the world. The difference is even more clearly marked now with last year's cut in the British income tax, and the cut of 25 per cent. in United States surtaxes, which has passed the lower house in Congress, and seems likely to go through the Senate.

Heavy surtaxes provide for taxing the wealthy more heavily than the people of small incomes. That, at least, is their ostensible object, but even a tax rtae of 65 per cent. is not as burdensome to a millionaire as a tax rate of 4 per cent. to a salaried office worker. One of Canada's wealthiest men remarked the other day that he had stopped worrying about his income taxes. Payment of well over 50 per cent. of his taxable income to the government did not bother him, for he had more than enough left. The loss, he said, was not his, so much as of the people who would benefit in orders and wages from the profitable investment of his income. Henry Ford feels the same way about his income taxes. From a purely selfish personal standpoint, he says it does not matter to him whether he is taxed 1 per cent. or 99 per cent. for he could live, as he lives now, on 1 per cent. of his income. But, from the standpoint of a man who is in business for the sake of his work rather than for the sake of making money as money, Ford objects to high surtaxes because they hurt business.

Would Have Killed Business

Mr. Ford points out what high taxes would have done to his business if they had existed in its early stages. As soon as he and his associates began to make good profits they put them into better machinery and were able to reduce car prices and pay higher wages. "But," says Mr. Ford, "if the present income tax had been in force we should have had to pay most of what we earned to the government." High surtaxes, if they had existed in the first years of the Ford factory, would have prevented Ford from putting a car on the market at less than $1,500.

Even now, in spite of Ford's great expansion, he finds himself handicapped by the surtaxes. "We can make some improvements," he says, "but we cannot do the great things we should do had we more money."

Canadian business has had the same experience as Henry Ford. The high surtaxes have had two results. One has been to chase a great deal of money under the shelter of tax-exempt securities, the various Dominion war loans, where 4½ per cent. is 4½ per cent. net. The money that has been thus converted into the tax-exempt issues of government bonds has been withdrawn from productive use in industry, and national development. The other result has been to give to the government spenders money that is needed in productive employment if we are to proceed to the ultimate station in our growth and development. As the United States has been told by its leading economists and public men during the past few months discussion of tax reduction in that country, the government is taking in taxes money which ought to be plowed back into business: money which ought to be building new factories; money which ought to be laid out in export trade; money which, if kept in business, would multiply as it went on, and eventually would reach the pockets of the working man.

Have Discouraged Private Effort

There is a growing opinion in Canada that in our zeal to tax the rich to the limit we have discouraged private initiative, we have put a tax on industry, we have slowed up business and hindered the progress of the country. We have dried up the source of jobs for the wage earner, and thus made his lot even poorer by comparison witth the wealthier men of Canada.

It is quite possible that to reduce the surtaxes might not necessarily reduce, in the end, the total amount of taxes received, for the release of so much capital would mean higher profits and higher incomes to be taxed. But whether the question is viewed from this angle or not the government at Ottawa should effect a reduction in income taxes, and particularly in surtaxes this year if it is to satisfy the demands of business. That it can be done by economy in administration and efficiency in the business of running the country's affairs is not doubted by those who have studied the question. It would be a powerful and vital stimulant to growth and enterprise.

Vienna despatch reports rumor Czecho-Slovakian banks negotiating with American banks for loan, following failure to raise $5,000,000 loan in Austria and similar failure in London.

Will Not Finish T. & N. O. Extension to James Bay

The T. and N. O. extension to James Bay will not be completed for the present at least. Hon. G. Howard Ferguson, premier of Ontario, who last year made a trip through that country, said that the general policy of the Government was that it was willing to incur small deficits on T. & N. O. operations, provided the general good of the district resulted. It would not, however, vote large grants merely to open up an agricultural country, and to so scatter settlers rather than to first build up the other sections of the province, where plenty of agricultural land still existed. He said that the Government was investigating the advisability of a spur into the Rouyn district.

BIG BUTTER OUTPUT IN SASKATCHEWAN

Dairy Industry is Going Far to Stabilize Agricultural Industry in the West

From Our Own Correspondent.

REGINA.—Last year for the first time the production of creamery butter in Saskatchewan passed the ten million mark. Judging from the reports of butter production in January, winter dairying is not only taking firm hold in Saskatchewan, but a remarkable increase in dairy production is forecast for the year, the figures for January showing creamery butter output of 473.363 pounds, as compared with 370,321 in 1923, an increase of 103,402, or 27.8 per cent. This is almost as great as the increase shown a year ago, when a 30 per cent. increase was reported for the same month over the previous January. Winter dairying is the backbone of the dairying industry, as dairying is a mainstay of permanent agriculture, and the annual production of approximately $20,000,000 of dairy products in Saskatchewan will go a long way towards lowering the cost of wheat production by providing all-the-year-round employment, and rotation of crops instead of the wasteful and expensive summer fallow.

WEST INDIAN TRADE IS DISAPPOINTING

Trade Agreement is Not Having the Results Which Were Expected of it

From Our Own Correspondent.

OTTAWA.—The complaint voiced in parliament that Canada is not getting anything like its share of trade with the West Indies is borne out by the trade returns, which show that the trade agreement negotiated with these islands a few years ago has not produced the results expected of it, insofar as increase in Canadian exports is concerned.

Exports of Canadian products to Bermuda last year were only $31,000 more than in 1922, and $290,000 more than two years ago. Those to the British West Indies increased by $2,035,000 last year, but at that they are only $1,364,000 more than they were two years ago. Exports to Cuba increased by $1,338,000 last year, and for the year stood at $6,243,000, as against $3,971,000 in 1921.

The United States is continuing to expand its trade in that quarter, her exports to Cuba last year having been $192,000,000. The complaint is that Canada is not properly represented in a trade way, and that in spite of the increase in the preference, trade is lost to this country through the lack of boats suitable for the traffic offered.

HOW PROPOSED TURNOVER TAX WOULD WORK OUT

(Continued from page 2)

to shareholders, partners, or individual traders, the turnover tax would not be applied, but simply the graduated personal income tax; where, however, part of the revenue might be applied to the capital account, or to reserves other than depreciation or bad debts, the gross sales would be subject to the turnover tax and the distributed profits to the graduated personal income tax. In the case of brokers and commission houses, the turnover would be the total commissions received by each house. In the case of banks, if the turnover tax were to be applied, the turnover could not be considered the total of the capital sum involved, but the total of all amounts received by banks for services rendered. If this were done, the present bank taxation would have to be abandoned, but the general belief among authorities seems to be that banks should not be brought under a turnover tax, but that the present system should be continued.

Q. Could a 1% turnover tax be applied to sales of securities or similar sales?

A. No. Experience has shown that the margin is too small. A 1% tax would go beyond the point of diminishing returns, and in fact might almost eliminate returns. If this type of business is to be brought under the turnover tax, the turnover could not be considered the total value of securities bought or sold for customers, but the total commissions received.

Q. Would not a turnover tax be shifted to the consumer?

A. Certainly, under normal conditions. This is true of all consumption taxes. If it were not so, most business and industry would be compelled to suspend. In so far as business taxes are not passed on they tend to encourage the withdrawal of capital from industry. When the percentage not capable of being passed on reaches a certain point, as in our graded personal income tax, the tendency becomes a very evident and actual withdrawal of capital from industry and business for investment in tax free bonds, the industries of other countries or other forms of investment accompanied by a minimum of worry and a maximum of net returns. The tax on business profits, when excessive, also puts a premium on extravagance and carelessness in administration. Up to a certain point business and industry are remarkably productive of taxes, but when an additional investment of energy and dollars brings a dishearteningly small return, the additional effort and investment, in many cases, will not be forthcoming.

Q. Would not the cost of collection to the Government and the cost of extra accounting and reporting to the taxpayer be so increased as to make the tax an expensive tax to collect?

A. It is claimed that by issuing licenses at a nominal fee, the local officer would have knowledge of everyone in his district liable to the tax, so that the cost of securing returns from all should not be so great. It is urged that as the tax is a straight percentage on turnover, it should not be a difficult thing for any dealer, no matter how small, to determine the amount of the tax, and for the tax authorities to check their accuracy as far as it ever possible to audit receipts or revenues.

Q. Will the 1 per cent. turnover tax pyramid and will the Government receive a reasonable share of the increase in cost to the consumer, due to the imposition of the tax?

A. In so far as the tax is passed on, there will be a pyramiding effect, but not so great as in the case of the incoming 6 per cent. sales tax applied at one point.

It has been claimed that a 1 per cent. general turnover tax will in no case, unless a very exceptional one, add more that 3½ per cent.. to the cost of the commodity.

The possibility of a 1 per cent. turnover tax producing as much revenue for the Government as a 6 per cent. limited sales tax depends on two factors:

1. Its interefering less with business and, therefore, favoring larger gross sales and reduced costs to the ultimate consumer.
2. Its application to all sales of commodities and, possibly, to all sales of services.

The "Rights of the Maritimes"

It is well for the rest of Canada to know that the one thought uppermost in the minds of the residents of Nova Scotia, New Brunswick and Prince Edward Island, is the subject of the "rights of the Maritimes." It is not only the important political factor in the Maritime provinces at the present time, but it is the important factor in business and socialogical discussions.

What are the rights of the Maritimes? Hon. Fred Magee, of Port Elgin, N. B., president of the executive council of the provincial administration, lists them under five separate headings, as follows:

(1) Railway freight adjustment.
(2) Canadian Freight for Canadian ports.
(3) Readjustment of Federal Subsidies.
(4) Maritime Federal Minister of Fisheries.
(5) Maritime Immigration.

Mr. Magee's views may be taken as broadly representative of what the people of the Maritimes are thinking about. It might in passing be proper to point out that as Mr. Magee is a Liberal by politics, no political desire to embarrass the Federal government can be charged as having influenced his resumé.

As he gives them to the St. John Telegraph-Journal, the Maritime rights are:

Right No. 1—Railway freight adjustments—Pre-Confederation statements to the representatives of the Maritime Provinces by those acting for Quebec and Ontario should not become "scraps of paper." Canada's word was accepted and their obligations carried out by the building of the I. C. R. to the St. Lawrence and by giving us low freight rates and fair treatment to 1915. The war came. We paid the price. We now wish to return to the old differentials and expect it. We appreciate what has recently been accomplished. We have our Maritime region, our purchasing department, our superintendent. To the C.N.R. management, not to the Government, we say, place our shippers on the old competitive freight basis and we are your friends.

Right No. 2—We have the right to request that the western shippers use our ports in preference to those of the United States when we offer competitive rates. We do not consider the extra mileage should prevent shipments by Canadians. We ask for the preference and we ask you to influence your buyers to route their purchases via St. John or Halifax. We ask Canadian buyers to do likewise—all things being equal. We ask for business for our ports on a business basis and a preference only because of sentiment. As ports of call, St. John and Halifax are placing themselves in a position to compete with Portland. Otherwise, we admit, sentiment will not fill our elevators.

Right No. 3—Federal subsidies—In all fairness, and because of our past action, we ask for a readjustment. All provinces of Canada except New Brunswick and Nova Scotia have had preferred treatment and our Federal representatives have acquiesced. Our territory cannot be increased. We have given freely. We seek consideration because of the reasons set out in Right No. 6. We refuse to resort to direct taxation until Canada says "no" to our square deal representations.

Right No. 4—Maritime Federal Minister of Fisheries—The sea brings to the banks of the Maritime Provinces $15,000,000 annually as returns for the sale of fish. This is why we ask for a Maritime man as a Minister of Fisheries. In the opinion of those engaged in the industry the above justifies the request.

Right No. 5—Immigration—The Maritimes have always contended that the transportation companies, both ocean and rail, have discriminated against them in favor of Western Canada. We also feel that in the past the Immigration Department of the Federal Government have not urged for our co-operation in settling Canada. We just want to point out that we expect in the future a change of policy and we will do our part. We mean this and we ask for co-operation.

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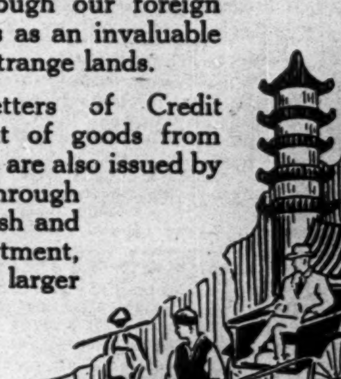

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MILESTONES IN CANADIAN HISTORY
1865 to 1923

1869 The Hudson's Bay Company agreed to relinquish to Canada all its powers of government in the vast territory over which it held domain by virtue of the grant made by Charles II to Prince Rupert and his Gentlemen Adventurers.

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News and Views for Investors

PAGE HERSEY TUBE

It is announced in the Canadian Gazette that the capitalization of Page Hersey Tubes is being reduced by $200,000, due to redeeming and cancelling of 2,000 shares of preferred stock. This leaves outstanding 38,000 preferred par value $100, and 60,000 common, no par value.

DOMINION POWER

Dominion Power and Transmission, Hamilton, which besides operating large power enterprises, also operates Hamilton Street Railway and different radial lines out of Hamilton, has declared a one per cent. dividend on its common stock, the first since 1920. Improved earnings of the power enterprises made this possible.

INDUSTRIAL ALCOHOL

Canadian Industrial Alcohol Co.'s new plant has now the necessary equipment for collecting carbonic acid gas, which is used by soft drink manufacturers in enormous quantities. Their modern still will have a daily capacity of 10,000 gallons, which means that the company will have a total output of 6,000,000 gallons per annum.

TWIN CITY

The commission probing the affairs of Twin City Rapid Transit has not as yet completed its work. This body is determining the value of the company's property with a view to fixing a fare tariff that would allow the company a reasonable return on its investment. The matter has been in the hands of the commission for some time and should soon be decided.

AMERICAN SALES BOOK

New lines developed during 1923, by American Sales Book, promise to give that company a greatly increased volume of trade this year. The new lines include Wiz autographic registers and some new forms of patented quadruplicate and quintuplicate sales books which are being advertised widely in connection with the fortieth anniversary of the founding of the business.

MANUFACTURERS' FINANCE

Manufacturers' Finance Corp., which absorbed Credit Alliance Financial, reports that up to Dec., 1923, preferred stock sold totalled $528,760. Since the turn of the year another $100,000 has been sold. Earnings are reported to have been satisfactory and three dividends were declared on the preferred. The dividend for the last half of the year is payable April 1.

DOMINION ALLOY STEEL

General plans and specifications for the first unit of the Dominion Alloy-Steel plant at Sarnia are in such shape that construction will commence not later than May 1, acording to W. B. Boyd, president. The company has raised about $1,250,000 to date and the cost of the first unit will run around $1,500,000. It should be operating early in 1925, and will turn out 5,000 tons monthly of alloy steel. The unit will consist of open hearth, bar and sheet mills.

HOLT RENFREW

With preferred dividends 8¾ per cent. in arrears, Holt Renfrew & Co. has announced the resumption of quarterly dividends with a payment to shareholders April 1. There have been but two transactions in this stock this year, the first early in February when 10 shares sold at 52. The improvement in the company's position was reflected at the end of February when 32 shares changed hands at 55½. The preferred is five quarters in arrears, the last payment having been made Jan. 2, 1923.

RECOVERY OF OILS

The reports of Canadian oil companies reveal the fact that losses suffered by them in 1923 when a large number of U. S. independent companies went to the wall, owing to the drop in crude oil prices, have already been made up this year. The improvement in the condition of the United States concerns that were able to survive the shaking out which the industry underwent when the bottom fell out of the oil market, has been more than matched by the Canadian concerns.

BELL TELEPHONE

Just as with every enlightened organization nowadays, the Bell Telephone Company finds that it pays to advertise. The annual report says: "Through the press, addresses by employees, demonstrations before public bodies and by invitations to our exchanges, we have continued our policy of telling the public freely of our service problems. There is evident benefit from these frank statements, both in general understanding of telephone service and in more effective use thereof. This ready response of the public is helpful and encouraging, and is much appreciated."

C. N. R. RAIL ORDERS LARGE

The part which Canada's National Railways play in Canada's industrial life is evidenced in a small way by the orders for rails recently placed. One order for 56,000 tons of 85 and 100-pound steel rails has been placed with the British Empire Steel Corporation and another for 40,000 tons of 85 and 100-pound steel rails with Algoma Steel Company. Portions of the orders have been delivered to the railways, and the rails will be used to rehabilitate certain portions of the trunk and branch lines throughout the system. Reduced to trackage the total order represents between 350 and 400 miles of steel.

CITY DAIRY MEETING

City Dairy shareholders will meet, March 27, to pass the by-law to subdivide the shares by issuing 40,000 shares of common stock, par value $75, to replace 10,000 shares of $100 par value. Holders of subdivided shares will be given one vote for every subdivided share held and preference share holders four votes for every preference share held. By multiplying the number of shares, the directors expect that there will eventually be a wider distribution of shares, and that the smaller investment involved will make it possible for preferred shareholders, desiring to do so, to become holders of common shares.

F. N. BURT

Some explanation of the $100,000 item for research work, which appeared in the recent annual report of F. N. Burt Co., was given at the annual meeting by President S. J. Moore and Miss M. R. Cass, head of the U. S. business of the concern. As a result of the research effort new lines are being developed which promise a wide distribution. These included paper drinking cups and the evolving of a process to mould paper forms from waste paper. These latter products consist of novelties and toys, which will be handled extensively throughout the chain stores of the continent. This new side of the company's business was referred to with much satisfaction.

ASBESTOS CORPORATION

Foreign competition for asbestos producers is still strong. W. G. Ross, president of Asbestos Corp., says in his 1923 report:—"The conditions in Europe and on the general situation, mentioned in the last annual report and at the last annual meeting have not improved. None can be expected in Europe until conditions are more settled. Added to this there is considerable competition from Rhodesian fields, which affects same, particularly the higher grade material. Your company suffered a loss through fire of our mill at our biggest mine, the Kings property. Fortunately, plans had been well under way to build a new mill and work was rushed, one-half of the machinery being installed. The mill started operations on the 1st of February of this year"

DOMINION CANNERS

Shares of Dominion Canners have weakened somewhat of late, but it is believed that this is more of a falling into line with the rest of the market, rather than a sign of disappointment over the 1923 annual statement. It is being pointed out that Dominion Canners holds $6,750,349 preferred and $1,687,587 common shares of Canadian Canners. The latter has a long time loan of $2,546,998 from Dominion Canners, repayable at $12,500 monthly. The mortgage bonds, $1,445,145 are assumed by Canadian Canners. The balance forward is $1,910,625. Dominion Canners has $2,797,100 preferred and $2,290,600 common stock, par $100, outstanding, and with the mortgage taken over, no bonded indebtedness. Common shares are selling at 31, compared with the recent high of 35⅝, and preferred 87, compared with a recent high of 90. The total market valuation of the shares is $3,143,563, which would support the contention recently made that the intrinsic value is greatly in excess of the current quotations.

CANADIAN CAR

Canadian Car and Foundry have secured another order, amounting to $4,000,000 from the government. The company is turning out work at a very fast rate and although only five months have passed since the end of their fiscal year, September 30th, 1923, business is up to last year's record. Orders on hand since that date now total around $20,000,000, the equivalent of the gross sales for 1923, which compared with $9,000,000 the previous fiscal period; $7,500,000 of business was carried over from the previous year, $4,000,000, was secured by the company up to the time of the annual meeting in January, about a $1,000,000 new business recorded in February, some $3,000,000 to the Canadian Steel Foundries Ltd. (a subsidiary) and the present announcement of $4,000,000, brings the total up to about the figure mentioned. The gradual paying off of the preferred, the placing of the issue on a regular basis and prospects of a good year have had their effect on the securities of the company; the preferred is selling at 94¼, with the common around 45.

FORECAST OF STEEL OF CANADA PROVES PLEASING FACTOR

Market Leaders are Pleased With Improvement in Steel Industry

TRADING IS QUIET

Question of Profits Going to be Vital Factor in Trading From Now On

Complete inertia has gripped the markets of the past week. Trading has been negligible. The public has seemingly, for a time, divorced itself from stock investment. The outlook is surrounded with uncertainty though the opinion prevails among many that weaknesses are bound to develop.

There have been a couple of good features during the week. Decidedly favorable and encouraging is the view taken of the forecast of what the annual report of Steel of Canada will show. The market responded in kind. The steel industry in Canada did not do well in 1922 and it has surprised many that Steel of Canada will be able to present such a favorable situation for 1923. Two other favorable factors were the resumption of dividends by Dominion Power and Transmission and Holt Renfrew.

From now on the question of profits is going to be vital. In other words, the opinion is that an irregular selective market is to be expected. Some stocks may go lower but at the same time, other small groups will be found moving the other way. Brokers say these conditions are not likely to affect good investment stocks or bonds. These issues they regard as good purchases or holds. In this class, however, the issues favored are mostly preferreds. As one Toronto leader recently suggested, the preferreds are the holds to-day. When the bear movement, which he was certain is under way, carries the commons, which actually drop 10 points to one on a preferred, to what may be considered a low point, he thought switching could then be profitably indulged in.

BRISK DRILLING FOR OIL IS EXPECTED

Several Wells Contemplated For Western Ontario This Spring

The stage is being set for quite an oil drilling campaign in Southwestern Ontario this spring. The success of the Romney well, which, when flowing steadily, is expected to produce 150 barrels of oil daily, has awakened a new interest. The Southern Ontario Oil and Gas, owners of the well, will drill a couple of new wells, one in the vicinity of the Romney well and another in South Colchester. The Eugene Coste people are drilling a well not far from the Romney, and it is expected that the Vacuum Oil and Gas, which has a small but valuable lease, may also undertake drilling a new well.

At the recent meeting of the institute of Mining and Metallurgy, oil matters were considerably to the fore There were papers on the Romney well, by Mr. Davis; on Oil and Gas in Ontario, by R. B. Harkness, Ontario's gas commissioner. There was quite a discussion on the Federal proposal to stop the petroleum bounty, it being contended that to do so will kill off what production there now is, and perhaps halt exploratory work.

STEEL OF CANADA

Earnings of 12.4 per cent. on the common stock are indicated by Robert Hobson, president of Steel Co., of Canada, after all charges and preferred dividends have been taken care of. The report will soon be ready. Mr. Hobson verified the figures given in last week's POST in regard the reduction in funded debt. The balance at the end of 1923, after taking care of all charges including common stock dividends of $805,000, will be shown as $627,875, which shows that after paying preferred dividends there remained, applicable to common shares, $1,432,875 or 12.4 per cent. This compares with $448,856 in 1922 or 3.9 per cent., and $362,551 in 1921, or 3.15 per cent.

Mr. Hobson says that 1923 saw working capital increase from $1,372,444 to $11,279,809. This was largely due to increases in inventories and accounts receivable. The increase in inventories was due largely to two factors, the policy of the company in accumulating coal as insurance against the possibility of a coal strike in the United States this year and the accumulation of pig iron sufficient to meet requirements while blast furnace "A" is out of operation. This furnace was blown out some time ago to undergo repairs.

Public Utility Earnings

PORTO RICO RAILWAYS

January	1923	1924	Increase
Gross	112,350	124,576	12,225
Net	47,095	58,566	11,470

BARCELONA TRACTION

January	1924 Pesetas	1923 Pesetas		Change Pesetas
Gross . .	4,999,096	4,855,464	+	143,632
Op. ex. .	1,709,791	2,586,155	—	876,364
Net . . .	3,289,305	2,269,309	+	1,019,996

Railway Earnings

CANADIAN PACIFIC RAILWAY

Week end.	1924	1923		Change
Mar. 7	$3,294,000	$3,058,000	+	$236,000

CANADIAN NATIONAL RAILWAYS

Week end.	1924	1923		Change
Mar. 7	$4,850,392	$4,483,340	+	$367,052

TRAM POWER TO BUY BACK CANADIAN LIGHT

Directors Have Decided to Exercise Their Option on the Property

From Our Own Correspondent.

MONTREAL. — The Montreal Tramways and Power Company intends to exercise its option for the re-purchase of the Canadian Light and Power Company. The latter company is at present owned by the Montreal Public Service Corporation (now the Quebec and New England Hydro-Electric Corporation).

It will be recalled that the loss of the Canadian Light and Power Company was one of the features of the Tram Power administration that was most severely criticized by the minority shareholders during the controversy of a few months ago. It came out at that time that Tram Power had sold the Canadian Light, Heat and Power Company to the Public Service Corporation in order that the company could pledge the common stock and bonds as security for a bond issue. A re-capture clause was put in the agreement of sale and Tram Power has until July 2 to repurchase the securities that were transferred and pledged. The directors, it is learned, have decided to exercise their option and thus bring this Canadian Light & Power Company, with its 20,000 h.p. plant at St. Timothee, directly under their control.

The price that must be paid for the 59,500 shares of Canadian Light stock, and $1,700,000 of Canadian Light bonds that are to be re-acquired, is set at $2,050,000, with some adjustment of interest which is likely to favor the Tram Power Company to the extent of about $125,000.

How Tram Power is to finance this transaction is as yet a mystery, and the directors refuse to give an inkling of their plans in this regard. They have just completed the sale of $8,000,000 of five-year collateral trust notes, and it is a question as to how a further extensive issue could be sold at the present time.

Special Earnings of C.P.R. Reach a New High Level

From Our Own Correspondent.

MONTREAL.—Again the Canadian Pacific Railway Company brought its special earnings to a new high record in 1923, and added to an increase in net earnings from traffic this made the rate of earnings on common shares 12 per cent., as against slightly over 11.6 per cent. in 1922.

Earnings from special account such as steamships, land sales, hotels etc., totalled $11,391,052, as against $11,092,355 for 1922. Dividends of $7,800,000, or 3 per cent., were paid as usual out of special income, leaving a surplus on this account of $3,591,052 for the year, bringing the total balance to this account of $28,650,897

Gross traffic earnings were the highest since 1920, and amounted to $195,837,090. Net earnings were also higher, and, after payment of all charges, and the 7 per cent. dividend usually paid out of railway operations, there was a surplus of $1,633,347 on this account.

For the first time in many years preferred stock dividends take a larger sum than before, indicating that an issue of preferred stock has been sold during the past year.

C. P. R.'s earnings on traffic and special income account for six years past have compared as follows:

Traffic Earnings Account

	1923	1922	1921	1920	1919
Gross earnings ...	$195,837,090	$186,675,035	$193,021,854	$216,641,349	$176,929,060
Work expenses ...	158,358,080	150,373.345	158,820,114	183,488,305	143,996,024
Net earnings	$37,479,010	$36,301,691	$34,201,740	$33,153,044	$32,933,036
Fixed charges	13,470,653	13,348,905	11,519,071	10,775,409	10,161,510
Surplus	$24,008,357	$22,952,785	$22,682,668	$22,377,635	$22,771,526
Pension fund	500,000	500,000	500,000	500,000	500,000
Balance	$23,508,357	$22,452,785	$22,182,668	$21,877,635	$22,271,526
Preferred dividends.	3,675,010	3,227,276	3,227,276	3,227,276	3,227,276
Balance	$19,833,347	$19,225,509	$18,955,392	$18,650,359	$19,004,250
Common dividends.	18,200,000	18,200,000	18,200,000	18,200,000	18,200,000
Net surplus for year	$1,633,347	$1,025,509	$755,391	$450,359	$844,250

Special Income Account

	1923	1922	1921	1920	1919
Special income	$11,391,052	$11,092,355	$10,987,199	$10,966,448	$9,049,342
Dividends	7,800,000	7,800,000	7,800,000	7,800,000	7,800,000
Balance	$3,591,052	$3,292,355	$3,187,199	$3,166,448	$1,249,342
Earned on com.....	12%	11.66%	11.5%	11.4%	10.8%

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Gray Interests Retire From Gray-Dort Motors

Frequent rumors that a reorganization of Gray-Dort Motors, Ltd., was pending have culminated in the announcement that the Gray interests are retiring. Robert Gray has resigned from the presidency, and will be succeeded by J. P. Byers, who was formerly secretary-treasurer of the company. Vice-president W. M. Gray, who was also assistant general manager, is resigning. W. E. Finegan has been appointed sales manager.

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Fire, Marine, Riots, Strikes, Civil Commotion and Explosion, Automobile, Burglary and Guarantee Insurance

FINANCIAL STATEMENT
JANUARY 1st, 1924

ASSETS

Government Bonds	$889.645.20
City Bonds	357,054.67
Railroad Bonds	168,886.87
Corporation Bonds	380,130.00
Stocks	215,203.00
Office Furniture and Maps	18,250.00
Real Estate	120,700.00
Bills Receivable	547.99
Accrued Interest	26,986.05
Balances due from other Companies	58,264.77
Cash in Banks and on hand	266,646.13
Agents' Balances	332,095.34
Rents due	175.00
	$2,834,585.02

LIABILITIES

Balances due other Companies	$ 389,029.85	
Losses under adjustment.	370,910.81	
Sundry Items	6,002.17	$ 765,942.83
SPECIAL RESERVES		
Reserve for Taxes and Contingencies	$ 72,000.00	
Reserve for Unreported Losses	15,000.00	$ 87,000.00
SECURITY TO POLICYHOLDERS		
Unearned Premium Reserve (on Canadian Government basis)	$1,466,158.12	
Surplus to Policyholders .	515,484.07	$1,981,642.19
		$2,834,585.02

Losses paid since organization of the Company in 1833 ..... $55,958,409.52

Board of Directors

WILFRID M. COX, *President of the Company*

SIR JOHN AIRD, *Vice-President and General Manager, Canadian Bank of Commerce;* COL. HENRY BROCK, *President, The W. R. Brock Co., Ltd.;* ROBERT BICKERDIKE, *Montreal, Director, Canada Life Assurance Company;* ALFRED COOPER, *London, Eng.;* H. C. COX, *President, Canada Life Assurance Co.;* JOHN H. FULTON, *President, National Park Bank, New York;* D. B. HANNA, *President, Canadian Northern Prairie Lands Co., Ltd.;* MILLER LASH, K.C., *Barrister, of Messrs. Blake, Lash, Anglin & Cassels;* T. G. MCCONKEY, *General Superintendent, Canada Life Assurance Co.;* GEO. A. MORROW, *President, Imperial Life Assurance Co.;* MAJ.-GENERAL SIR HENERY PELLATT, C.V.O., *of Messrs. Pellatt & Pellatt, Stock Brokers;* E. R. WOOD, *President, Central Canada Loan and Savings Co.*

Officers

WILFRID M. COX, *President and General Manager;*
GEO. A. MORROW *and* HERBERT C. COX, *Vice-Presidents;* C. S. WAINWRIGHT, *Assistant General Manager;* G. STUBINGTON, *Secretary;* A. R. PRINGLE; *Canadian Fire Manager.*

Board at London, England

ALFRED COOPER, *Chairman;* LORD CABLE; SIR CHARLES JOHNSTON, BART.

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PROTECTIVE GROUPS FOR SAGUENAY CO.

First Step in Reorganization That is Now Getting Under Way

From Our Own Correspondent.

MONTREAL.—Plans for the reorganization of the Saguenay Pulp and Power Company are under discussion, but no definite scheme has been adopted. There are many interests to be satisfied; including bondholders, stockholders, creditors, at least two large banks, and the English trustees for a bond issue that was hypothecated as security for an issue of Becker and Company. The first step will be the appointment of committees representing each interest, to co-operate with Senator F. L. Beique, the president of the corporation, in working out a plan of re-organization. The plan may or may not involve the liquidation of the company. Liquidation would have one good effect in disentangling the company from many of its alliances and webs of confusion, but it might not give much protection to some of the interests involved.

One plan under discussion involves complete reorganization; the offering of about $2,000,000 of first mortgage bonds to provide working capital, and the issue of second mortgage bonds to present bondholders, creditors, etc., in payment of a large proportion of their claims.

Another plan involves the taking over of the enterprise by Price Brothers and Company. There is no definite offer in from Price Brothers, but that they are ready to take over Saguenay seems certain. This they might do by purchase of the $5,500,000 bonds now outstanding at something under par. Claims of bankers, creditors and shareholders would be a matter for consideration.

Apart from the Saguenay Company, plans for the reorganization of Bay Sulphite Company are also being worked out. There are several points of contact between Bay and Saguenay, one being the guarantee by the Saguenay Company of the underlying bonds of Bay's subsidiary the St. Lawrence Pulp and Lumber Company. This guarantee is reinforced by a mortgage on the properties of the Chicoutimi Pulp Company. It is likely that some arrangement will have to be come to in regard to this guarantee. It is understood that this guarantee may involve the two companies in legal complications unless a working arrangement can be reached.

It would not be surprising if the ultimate result of the present negotiations would be the complete divorcement of the two companies and the building up of a large newsprint manufacturing enterprise around each. Much new capital would be required in the case of each company.

PRUDENTIAL TRUST FIGHT FOR PROXIES GETS INTO COURT

(Continued from page 1)

shareholders so that the value of your holding may be enhanced.

"4. This committee has nothing more in mind than the best interests of the company, and the shareholders in general, and the present endeavor is intended solely for its welfare."

The action of the court this week in granting an injunction against the use of the Carrel-Gourdeau proxies and of the president, B. Hal Brown in adjourning the meeting rather than taking advantage of the situation thus created, leaves the fight open for renewal, for all proxies properly filed before the annual meeting, when it is again called, will be legal even though they reverse proxies already filed.

The annual statement submitted at the meeting showed a deficit in the balance sheet of $152,667. This compared with a profit and loss surplus according to the balance as at December 31, 1923, of $3,714. Profits during the year were $2,343, but it was found advisable to deduct from profit and loss $78,152 to provide for estimated losses on re-valuation of assets and $73,144, the difference between the par value of the old common stock and par value of new stock issued in exchange.

The chairman of the board, J. P. Steedman, of Hamilton, and the president, B. Hal Brown, pointed out that:

"The investments of the company have been the subject of special examination during the year by a committee of directors, and further consideration given at a meeting of the board. They were taken up item by item with the Auditors, and stringently revalued. Some of the investments made years ago have proved unfortunate. Persistent efforts have been made to protect the interests involved, and while the final outcome is as yet undetermined your directors have deemed it prudent to estimate the present value and make provision against any loss which ultimately may be sustained.

"The profits realized in past years have been accumulated in the form of Contingent Reserve, which, in the revaluation, is not regarded as a sufficient provision, and a further sum has been allocated as shown in the profit and loss statement and balance sheet annexed, to which attention is drawn. These provisions are conservatively regarded as full and sufficient to meet any possible loss.

"The capital stock is represented by sound tangible asets, amounting to $548,607.97 in excess of all liabilities, equivalent to a value of 80 per cent. of par. In other words, a provision has been made of 20 per cent. of the paid up capital, which stands allocated for any possible depreciation in the assets of the company.

"In explanation of the foregoing it should be pointed out that the costs of organization; of securing subscriptions to the capital stock of establishing agencies and branches, have been paid and written off, and that no credit is taken therefor in the assets, nor for the value of the business which has been introduced.

'Important business has been discussed prior to the close of the year, and tentatively arranged for, which, if consummated, will increase the revenues of the company and favorably affect the returns to shareholders.

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STOCK MOVEMENTS OF THE WEEK

WEEK ENDING MARCH 11

	Div. Rate	Yield Mar. 10	High For week	Low For week	Close Mar. 11	Close Mar. 4	Sales For week	Range High	1924 Low
Banks—									
Commerce	12	6.50	185	184	184½	184	92	188	182
Dominion	12+1	6.94	187	186	187	186½	62	187	181
Hochelaga	10	6.75	148	148	148	149	3	150½	143½
Imperial	12	6.75	177½	175	177½	173	81	177½	173
Molsons	12	7.72	155	154½	154½	154	53	159½	153
Montreal	12	5.01	240½	239	239	240	65	248	239
Nova Scotia	16	6.28	255	254	254	255	24	255	248
Royal	12	5.60	215	213½	214	214	52	217	211
Standard	12	7.24	166	165½	166	166	24	168	165
Toronto	12	6.79	176½	176½	176½	176½	15	179	175½
Union	8	7.54	106	106	106	106½	1	109½	105
Paper—									
Abitibi, com.	4	5.99	67½	63	63½	65½	3524	69	60½
Brompton Pulp	....	....	41½	40½	40½	40½	754	43	39
Laurentide	6	6.55	92	91	91½	91½	501	98½	89½
Price Bros.	2	4.49	44½	44	44½	45	70	45	40½
Prov. Paper, com.	6	6.59	96	90	90	105	245	110	85
Do. pref.	7	7.25	96½	96	96	97½	45	97½	93
Smith, Howard, com.	6	8.95	70	66½	67	67	265	75	63
Spanish River, com.	7	6.49	108½	105½	106½	106½	1921	114	99½
Do. pref.	7	6.25	114	112	112	111½	667	119½	105½
St. Maurice Paper	6	5.82	103	100½	103	100½	161	113½	100
Wayagamack	....	....	40½	40	40½	41	60	46	41
Steel and Steel Industries—									
B.E. Steel, com.	..	....	5½	5	5	5½	170	6	3½
Do. 1st pref.	7	12.33	57½	56½	56½	56½	387	57½	53
Do. 2nd pref.	..	....	15	14	14	14½	935	17	13
Can. Car & Foundry, com.	..	....	48	46	46	47	1475	48	36½
Do. pref.	7	7.36	96	94½	95½	96	993	96	84½
Can. Foundries, com.	..	....	26	26	26	28	25	31	19½
Can. Locomotive, com.	4	5.97	67	66	66	66	17	67	66
Do. pref.	7	7.82	89½	89½	89½	90	25	90	85
Dominion Coal	7	9.09	77	77	77	78½	20	81	77
Dominion Iron, pref.	7	12.96	57	54	54	52	41	57	52
Dominion Bridge	4	5.19	79	75	75	77	351	80	55
Dom. Steel Corp., pref.	6	8.45	72	70	71	72	50	73	70
Ontario Steel, com.	4	9.09	44	44	44	43	30	45	43
Do. pref.	7	7.52	93	91	93	90	18	93	90
Steel of Canada, com.	7	8.43	83	77	81	76½	11409	83	74½
Do. pref.	7	6.66	105	103½	104½	103½	49	105	100
Milling—									
Canada Bread, com.	..	....	74	74	74	73	60	74½	66
Do. pref.	7	7.10	98½	98½	98½	97½	47	98½	95
Lake of Woods, com.	12	6.89	174	174	175	174	10	177	167
Do. pref.	7	5.88	119	119	119	119	53	120	117½
Maple Leaf, com.	..	....	64	61	64	61	105	69	60
Do. pref.	7	7.69	91½	91	91½	92	146	95½	87
Ogilvie Flour, pref.	7	5.88	119	119	119	119	5	120	116
St. Law. Flour, com.	6	8.45	71	69	71	71	60	73	68½
West. Can. Flour	8	8.00	100	99	100	100	41	105	99
Inter. Milling, pref.	7	7.40	95	94	95	94½	99	96	94
Utilities—									
Bell Telephone—Rights	..	....	5½	4½	5	4½	3202	5½	3½
Bell Telephone	8	6.10	132½	130	130½	131	1089	132½	125
Consumers Gas	10	6.06	165	164	164	165	18	166½	159½
Dom. Telegraph	6	6.97	43	43	43	44½	6	44½	43
Kaministiquia	8	7.33	109	109	109	109	65	113½	109
Mackay, com.	7	6.25	113	112	113	114	366	120½	110½
Do. pref.	4	5.88	69	68	68	69½	23	71½	66
Montreal L. H. & Pr. Cons.	7	4.51	155½	153½	154	155	1011	161½	140½
Ottawa L. H. & Pr.	6	7.10	85	83½	83½	85	45	86	81
Quebec Power, pref.	7	7.44	94	94	94	92	15	94	90
Shawinigan	7	5.53	127	126	126	127	227	135½	118½
Transportation—									
Canadian Pacific Rly.	10	6.68	150	148½	150	149½	364	154	148½
Canada Steamships, com	..	....	13½	11	12½	11	650	14½	11
Do. pref.	..	....	45½	41½	45	42	1319	46	41½
Tractions—									
Barcelona	..	....	14	14	14	15	10	16	14
Brazilian	4	7.61	53	51½	52	51½	12294	53½	41½
Detroit Un. Rly.	6	9.60	65	56½	61	64	3394	72½	61
Duluth-Superior	..	....	32	32	34	34	75	35	30½
Illinois Traction, pref.	6	6.41	93½	92	93½	90½	193	93½	87
Montreal Trams.	10	6.49	154	154	154	153	10	159	150
Porto Rico Rlys. com.	..	....	20	20	20	18	50	25	18
Do. pref.	7	9.33	75	68	75	68	15	75	66
Quebec Rly.	..	....	16½	16½	16½	17	234	17	14½
Toronto Railway	..	....	82½	81½	81½	82	784	86½	80
Twin City, com.	6	9.33	64½	63½	64½	64½	405	69	63½
Winnipeg Elec., com.	..	....	28	27	27	28	160	30	27
Do. pref.	7	8.97	80	76½	76½	80	172	85	76½
Textiles—									
Can. Converters	7	8.64	81	80	81	80½	99	90	80
Can. Cottons, com.	8	7.92	101	101	101	101	50	111	100
Do. pref.	6	6.66	90	90	90	89½	5	91	89
Dom. Textile, com.	$4.00	6.55	62½	61	61	63	372	66	61
Monarch Knitting, com.	..	....	25	25	25	...	3	25	25
Do. pref.	7	8.75	80	80	80	80	32	82	80
Penmans, pref.	6	6.38	94½	94	94	95	20	96	94
General Industrials—									
American Salesbook, com.	$4.00	8.88	45	45	45	45	30	47	44
Do. pref.	7	7.60	92	92	92	92	6	95	91
Asbestos, com.	..	....	35	32	35	30	140	35	25½
Do. pref.	6	10.00	60	59	60	58	430	62	57
Atlantic Sugar, pref.	..	....	49	49	49	50	10	51	39
Bird & Son, pref.	7	8.00	87½	87½	87½	87½	20	89	87½
B.C. Fishing	..	....	15½	14	14	15½	154	15½	14
Burt, F. N., com.	10	7.69	130	127½	130	129½	105	137½	127½
Canada Cement, com.	6	6.74	89	87½	89	86½	1544	89	84½
Do. pref.	7	6.54	107½	106	106½	105½	172	107½	102½
Can. Gen. Elec., pref (New)	½	....	53½	53½	53½	53½	114	54	53
Canadian Salt	8	6.94	115½	115	115½	113½	135	115½	109
Can. Indust. Alcohol	6	....	27	27	27	28½	225	28½	27
City Dairy, com.	10	5.55	180	180	180	180	28	184½	63
Dom. Canners, com.	..	....	33	30	30½	33	580	35½	20½
Do. pref.	7	8.04	88	87	87	88	93	90	82
Dominion Glass, com.	7	6.42	109	107½	108½	107½	225	109	101½
Do. pref.	7	6.76	103½	103	103½	103	20	107	103
Dominion Stores, pref. (A)	8	9.09	88	88	88	89	3	89½	81
Davies, Wm. (A)	..	....	17½	15½	17½	14½	60	20	14½
Eastern Theatres, pref.	7	10.25	68½	68½	68½	70	14	70	67
Ford Motor	10	....	470	465	470	485	105	485	465
Goodyear Tire, pref.	7	8.77	80	79½	80	80	54	81½	79
Lyall Construction	..	....	21	16	21	16	167	21	12
Macdonald, A.	..	....	5	4	5	4½	65	5	4
National Breweries, com.	$4.00	7.47	53½	51½	52½	52½	4205	56½	51
Rogers, Wm. A., com	..	....	59	60	58	60	53	70	45
Do. pref.	7	7.21	97	96	97	97	17	97	86
Russell Motor, pref.	7	12.61	55½	55	55½	55	32	56	48
Sterling Coal	4	9.75	41	40	41	41	37	43	40
Sherwin-Williams, com.	6	5.66	106½	106	106	106½	8	110	106
Do. pref.	7	6.79	103	102	102	103	30	103	102
Tuckett Tobacco, com.	4	6.66	60½	59½	59½	60½	310	64½	57
Do. pref.	7	7.40	96	94½	94½	97	70	97	92½
Woods Manufacturing, com.	..	....	35	28	35	29	299	35	28
Trust and Loan—									
Canada Landed	10+1	6.68	82½	82½	82½	84	6	86	82
Can. Permanent	12	6.41	187	186½	186½	186½	11	186½	182
Huron & Erie	7	5.78	121½	121½	121½	121	6	121½	120
National Trust	12	5.58	215	215	215	212	4	215	212
Toronto Mortgage	10	5.96	84½	84½	84½	83	6	84½	81½

UNLISTED SECURITIES

	Bid	Asked
Alta. Pac. Grain, com.	98	103
Alta. Pac. Grain, pref.	89	92
Collingwood Ship., com.	50	60
Can. Machinery, pref.	22	27
Can. Mortgage & Inv.	66	..
Can. Oil, 8%, pref.	91	93
Can. Westinghouse	134	..
Capital Life, 20% pref.	24	28
Cockshutt Plow 7% pref.	..	39
Continental Life	25	29
Cosgraves Breweries	5	5½
Commercial Finance, pref.	63	..
Crown Life	98	..
Dom. Power, pref.	96½	98½
Dom. Power, com.	45	48
Dom. Sewer Pipe, com.	24	30
Dunlop Tire, 7%, pref.	80	84
Durant Motors (A)	6½	7½
English Elec., com.	11	12½
English Elec., pref.	58	61
Excelsior Life, 26% pref.	32	..
Famous Players 50% com.	..	70
Farmers Dairy	60	..
Great West Life	225	..
Gunns, Ltd., 7%, pref.	37	39
Hamilton Pantages, com.	3	4
Hamilton Pantages, pref.	44	49
Imperial Tobacco, com.	5	7
K. & S. Tire, pref.	20	23
K. & S. Tire, com.	.70	.90
Canada Starch, pref.	..	..
La Paz Oil	..	..
Lambton Golf Club	400	450
Loew's Buffalo, pref.	54	56
Loew's Buffalo, com.	1	1½
Loew's Hamilton, pref.	44	48
Loew's London, pref.	6	7
Loew's London, com.	3½	4
Loew's Ottawa, pref.	..	19
Loew's Toronto, pref.	71	73
Loew's Toronto, com.	39	43
Marconi Wireless	.70	1.00
Massey-Harris	34	36
Manufacturers Life	56	58
Mtge. Disc. & Fin.	7	9
Monarch Life, 10% pref.	13	..
Neilson, Wm., pref.	95	..
National Brick, pref.	53	56
National Brick, com.	12	15
North Mex. Power, com.	6	10
Ont. Equitable Life	18	22
Robt. Simpson 6%, pref.	89	91
Robertson, P. L.	15	25
Sterling Bank	88½	91
Sun Life, 50%, pref.	180	..
Sun Life, 35%, pref.	140	..
Toronto Brick, com.	28	..
Toronto Brick, pref.	73	..
Toronto Carpet, com.	99	..
Trusts and Guarantee	69	72
Western Assurance	7	7½
Western Groceries, pref.	34	37
Willard's Chocolates, pref.	..	80
Brit. Mortgage Loan	200	..

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Manager Ontario Branch - A. E. HESSIN

CANADA CEMENT PROPERTY VALUE VERY MODERATE

Being Carried at Less Than Fourteen Years Ago

From Our Own Correspondent.

MONTREAL.—Recent strength in Canada Cement has brought out some interesting discussions on this company. "We believe in the future of Canada Cement stocks, both common and preferred, and recommend their purchase," is the statement of one stock brokerage firm.

This house, O'Brien and Williams sizes up "Cement" as follows:

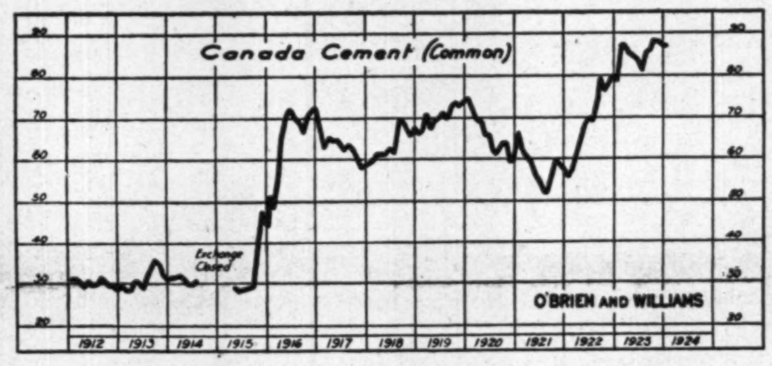
"The common stock at around 88 yields 6.81 per cent., and the preferred, at 106, yields 6.60 per cent. These yields, it is true, are not high, but the speculator or investor has two things to consider—safety, and the prospects for future enhancement in the value of his securities, and on both of the counts, we believe the Cement issues have exceptional merit.

"In 1929 all of the company's bonds will be retired and with no bonds ahead of them we believe that the preferred stock will be selling on a bond basis, while the common, in anticipation of a substantially higher dividend, will be selling over par. Speculators have, in the past, paid very little attention to Cement, and the investors have had it pretty much to themselves, but we believe that the powerful liquid position of the company will some day strongly appeal to the speculative imagination and that Cement will acquire an unusual reputation such as Montreal Power enjoys at the present time.

"Few people, perhaps, realize that the company's properties stand in the books at a lower price than when Frank P. Jones took charge of the company in 1909—and this in spite of the fact that the capacity of the plants has been doubled, and the company now owns the largest individual plant in the British Empire."

Some illuminating figures have been compiled by the financial service of the process of strengthening that has gone on in the Canada Cement Company since its organization in 1909.

The company's property account according to the last annual statement, stands at $26,169,018; in 1909 it was shown at $27,134,786.



It is indeed interesting to note what has been written off for depreciation since 1910, the following figures showing a total for 1910-1923 inclusive, of $13,142,186.

1910	$ 160,000
1911	130,000
1912	203,000
1913	330,000
1914	435,000
1915	610,000
1916	760,000
1917	1,170,000*
1917	2,190,616*
1918	1,150,764
1919	1,149,584
1920	810,491
1921	815,529
1922	1,079,929
1923	1,547,273

* Special.

The review of the financial service concludes:

"A glance at the company's statement will convince the investor how strongly entrenched Canada Cement is. They have bonds outstanding amounting to $5,513,800 which can be readily taken care of at any time mostly by the sale of their Victory bonds amounting to $4,363,766. In 1929 the bonds have to be retired, which will, no doubt, be done without re-financing, leaving the preferred in the bond position and the common almost on a par with the present preferred.

"The table which follows, illustrates the steady growth of the company to its present paramount position.

	Investments	Reserves	Surplus
1923	$5,626,432	$2,736,635	$ 705,550
1922	3,620,947	2,560,301	653,158
1921	2,348,442	2,388,278	614,040
1920	2,745,131	2,287,135	898,971
1919	3,602,611	2,215,320	1,424,858
1918	1,648,837	1,325,000	2,677,643
1917	914,422	1,170,000	2,577,000
1916	35,234	760,000	2,092,818
1915	35,234	610,000	2,065,233
1914	34,234	435,000	1,512,269
1913	40,234	330,000	1,190,279
1912	42,234	203,000	781,062

Canadian Mortgage Increased Its Balance

The Canadian Mortgage Investment Company had a net income of $153,820 in 1923, exclusive of the balance brought forward from the preceding year. The net income for the year after providing for expenses of management. debenture interest, Provincial Government taxes, etc., amounted to $92,076.

	1923	1922	1921
Net income	$ 92,076	$ 95,884	$ 98,518
War tax	1,362	1,322	1,417
Income tax	6,717	2,906	8,007
	$ 8,079	$ 4,228	$ 9,424
	$ 83,997	$ 91,656	$ 89,094
Bal. forward	19,240	28,336	13,764
	$103,237	$119,992	$102,858
Distribution—			
Dividends	74,595	74,624	74,521
Writ. off	.....	26,128	.....
Balance	28,641	19,240	28,336
	$103,237	$119,992	$102,858

National Breweries Profits Were Lower

MONTREAL.—National Breweries' profits were considerably reduced in 1923, and the drop in earnings is blamed on the reduction in the price of beer during the past year. Profits available for common stock dividends amounted to $6.32 per share, as compared witth $8.73 in 1922, and $8.62 in 1921, on the 90,172 $25 par value shares outstanding.

The profit and loss figures for the past three years are as follows:

	1923	1922	1921
Profits	$1,029,704	$1,254,674	$1,243,220
Bond int.	78,000	82,800	87,600
Balance	$ 951,704	$1,171,874	$1,155,620
Deprec.	187,093	189,902	183,361
Balance	$ 764,611	$ 981,972	$ 972,259
Pfd. divs.	194,250	194,250	194,250
Balance	$ 570,361	$ 787,722	$ 778,009
Com. divs.	360,688	360,688	360,688
Surplus	$ 209,673	$ 427,034	$ 417,321
Prev. surp.	2,462,594	2,035,559	1,618,238
P. & L. bal.	$2,672,267	$2,462,594	$2,035,559

PORT HOPE WRITES DOWN ITS GOODWILL

Policy of Directors is to Improve the Company's Financial Position

From Our Own Correspondent.

Profits of the Port Hope Sanitary Manufacturing Co., for the year ending January 31, were $198,407, as compared with $203,785 in the previous years. Adding $1,150 profit on redemption of preferred stock brought the total to $199,557. After provision for insurance, depreciation, income tax, and writing off $100,000 of goodwill, net profits of $29,141 compared with $50,092 a year ago. Preferred dividends took $28,442. The balance was slightly increased to $49,829. Reduced by $100,000, the goodwill now stands at $206 625.

According to President L. M. Wood, building in a few districts was quite active during 1923. Present indications are that the demand for housing accommodation in some of the more important sections has been fairly well satisfied for the time being. For this reason there may be a considerable falling off in sales unless the demand is replaced in other districts.

WESTERN GROCERS PAID FROM RESERVE

Dividends Discontinued and a Conservative Policy is Being Followed

Unsatisfactory trade conditions in Western Canada are referred to in the annual report of Western Grocers Limited, by the president, W. P. Riley, in presenting a profit and loss account, showing that after deducting operating expenses, making adequate provision by way of reserves and write-offs for bad and doubtful debts and writing off $13,562 for depreciation on delivery, office and warehouse equipments, net profits amounted to $33,690, as compared with $140,305 for the previous year. To pay dividends for the first two quarters of the year, provide depreciation on buildings, and pay taxes, the special reserve of $154,271 was called upon; the balance is now $69,220, of which $59,715 is a reserve provided for in by-law 1010. Following are comparative figures:

	1923	1922
Net profits	$ 33.690	$140,305
Special reserve	143,316	......
Bal. forward	10,955	38,049
	$187,961	$178,354
Pref. dividend	83,601	167,202
Deprec. on bldgs.	30,184	......
Income tax	4,956	197
Balance	69,220	10,955
	$187,961	$178,354

The most notable change shown in the balance sheet portion of the exhibit is a reduction of $314,990 in the bank loans, which now stand at $1,483,010. This change is found accounted for in the reduction in accounts receivable. shown at $1,444,835, lower by $313,644. Cash is down $34,926 at $121.369. Total assets are lower by $354,190, at $7,527,870. The goodwill account stands unchanged at $3,111,722.

Mr. Riley explains that although Western Canada was favored with a good crop in 1923, trade in grocery lines was comparatively slow, as much of the money derived by the farmers was used to pay old indebtedness However, he adds that the company's position as a leader in the grocery trade of Western Canada is being well maintained; thorough attention has been given to reduction of operating expenses, to collections, and to the condition of accounts receivable The payment of dividends has been discontinued for the time being.

B. C. USING PANAMA CANAL

British Columbia's shipment of waterborne number to overseas markets totalled 521,707,132 board feet last year, against 273,146,800 in 1922. The most remarkable increase for the year was in shipments through the Panama Canal to the Atlantic seaboard, which absorbed 152,281,954 feet, as against 60,787,079 feet in 1922.

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ROBT. SIMPSON NEW BUILDING OUT OF PROFITS

And Still Net Earnings Show Very Substantial Increase

As an indication of the business of the department stores and mail order houses, the annual report of the Robert Simpson Company of Toronto to the end of January is viewed with considerable interest. The report shows a rather remarkable expansion in turnover, and profits in view of the general industrial and commercial conditions which prevailed. Very efficient management has no doubt been a factor in the showing made. Net profits on merchandise, after deducting selling and general expenses, amounted to $1,547,753, compared with $1,236,609 in the previous year, and $766,858 in 1922. After paying dividends and providing for reserve there was a substantial increase in the balance, which now totals more than $3,000,000. Following are comparative figures:

	1923	1922
Net profit	$1,547,753	$1,236,609
Bal. forward .	2,351,713	1,961,104
	$3,899,466	$3,197,713
Pref. dividend .	201,000	201,000
Com. dividend .	335,000	335,000
Prof. tax res.	155,000	135,000
Res. bonus etc.	200,000	175,000
Balance	3,008,467	2,351,713
	$3,899,466	$3,197,713

Nor does the above entirely represent the company's profitable operations. During the year an important eight-story addition was made to the store premises. This building and equipment have thus far been financed entirely out of the current funds of the company. Under the heading of capitalized assets, the item for buildings and equipment showed an increase of $1,114,055 during the year. An increase in merchandising stocks of $551,184 no doubt indicates increased stock for the enlarged premises.

During the year, the mortgage indebtedness was reduced by $46,683. The reserve for depreciation on building and equipment was increased by $361,076, and now stands at $2,245,572. Current assets amount to $6,464,916, of which merchandise represents $4,275,475. At the turn of the year the organization had no liabilities to its bankers.

FURTHER ADJUSTMENT QUEBEC RAILWAY

New Interests Forecast More Changes in Financial Structure

From Our Own Correspondent.

MONTREAL.—Under its new administrators, Quebec Railway, Light Heat and Power made some progress in 1923. The company is now closely affiliated with Quebec Power, and many of the shareholders have exchanged their stocks for stocks in the latter enterprise. The Quebec Power holds 90 per cent. of Quebec Railway stocks. For that reason the report has not the same interest it has had in previous years.

Gross earnings showed an increase of $115,000 during the year.

The following table shows the profit and loss figures for the year in comparison with those of the preceding year:

	1923	1922
Gross earn. ...	$2,973,004	$2,858,606
Oper. exp.	2,100,731	2,010,814
Net earn.	$ 872,272	$ 847,792
*Extra exp.	123,621	......
Balance	$ 748,651	$ 847,792
P.C. and int. ..	583,282	557,961
Balance	$ 165,368	$ 289,830
Depreciation ...	150,000	182,545
Balance	$ 15,368	$ 107,284
Bond discount .	12,116	21,183
Surplus	$ 3,251	$ 86,100
Prev. bal.	760,149	674,048
Total	$ 763,400	$ 760,149
†Written off	279,917	......
P. and L. bal...	$ 483,483	$ 760,149

*Extraordinary repairs and expenses, 1923.

†Depreciation and adjustments applicable prior to January, 1923.

Discussing the special charges that will have been noticed in the table Julian C. Smith, president, says:

"Your directors have gone over the accounts of the company in a conservative manner and have deemed it wise to make a charge of $123,621.56 against this year's earnings and a charge of $279,917.58 against the surplus accumulated prior to January, 1923. These charges represent certain major repairs, revaluations of inventories and accounts receivable, and writing off of certain doubtful assets. Further large adjustments may be required, and these your directors have under consideration."

Exchange of Shares

"Nearly all of the former shareholders of your company have exchanged their shares for those of the Quebec Power Company. Leaving out of consideration the shares represented by bearer warrants the total number of shareholders in your company was, on December 31, 1922, 934, and total number of shares in the hands of these shareholders was 88,348. On December 31, 1923, the comparative figures are: Total number of shareholders, 252. Total number of shares in the hands of these shareholders, 92,798, and in the hands of one of these shareholders, Quebec Power Company, 89,135 shares.

"It is obvious that the future of your company is closely linked with that of the Quebec Power Company. Many of your shareholders, recognizing this condition, have deemed it wise to become shareholders in the Quebec Power Company through exchange of their shares."

B.C. ELECTRIC HAS BIG PLANS IN MIND

Has Reduced Rates and Improved Service and is Undertaking Bigger Developments

VANCOUVER.—For the fourth time in six years domestic lighting rates in Vancouver have been voluntarily reduced by the B. C. Electric Railway Company.

It is expected that the new rates will go into effect in Vancouver city about May 1, and in the surrounding municipalities during the following two or three months.

The cost of this reduction to the company is expected to be $100,000 a year. Anticipating a substantial increase in the consumption, it is hoped to increase greatly the number of electric appliances in use and to dissipate the feeling in Vancouver that electric current is expensive.

In 1917 the rate in Vancouver was 11 cents gross, or 8.8 cents net, plus a 15-cent meter charge. At that time 40 kilowatt hours would cost $3.67 net. Under the proposed new rate in a house of 1,000 square feet this current would cost only $1.70, or less than half what it cost in 1917.

Following the announcement of the B. C. Electric Company's $5,000,000 development programme last month comes word of the incorporation of the B. C. Rapid Transit Company and the purchase of six high-grade motor coaches for the Vancouver-New Westminster run.

Confirmation of the progress of the company also comes in the despatches from London to the effect that the company's debenture issue of £750,000, or nearly $4,000,000, was well oversubscribed. The funds will doubtless be used for the hydro-electric and other development work now going on. This is significant as being the first issue of stock or debentures by the company in London since before the war.

After a long period of doubt, the traffic figures of the company, in keeping with the spirit of optimism in Vancouver, are on the upgrade. An increase of 2 per cent. is shown for January, which, though not large, is on the right side of the ledger.

One Man Who Made Money Out of Marks

A well-known English stockbroker in December, 1921, purchased 500,000 marks at an average rate of 659 marks to the pound, the total cost being £758 10s. This purchase was made in the hope that a recovery would take place in the mark. This anticipation, of course, was not fulfilled. In October, 1922, when the exchange rate had risen to 5,750 marks to the pound, the broker decided that it was necessary to do something, and he gave instructions that the 500,000 marks should be invested in a "real" value in Germany. Accordingly shares were purchased in the Badische Anilin and the Allgemeine Elektrigitats, which then had a value equivalent to less than £86. The mark value of these shares was on January 14 last 21,000 billions, equivalent to about £1,126. Thus, the heavy loss on the original transaction was converted into a profit of £367 10s. The transaction may be put in tabular form as follows:

December, 1921, bought 500,000 marks, value in marks 500,000, rate of exchange 659, sterling value £758 10s.

October 1922, bought 600 shares Badische Anilin, value in marks 493,000, rate of exchange 5,750, sterling value £85 15s.; 620 shares Allgemeine Elektrigitats.

January, 1924, sold ditto, value in marks 20,840 billions, rate of exchange 18½ billions, sterling value £1,126.

If the marks had been held throughout they would have been worth to-day about 1-39,000th part of a farthing.

CANADIAN COAL TO SEATTLE

VICTORIA.—It is reported in Seattle that a representative of the Alberta Provincial Government is arranging to send domestic coal to that city from Alberta via rail to Vancouver and thence by scow.

AVOID TAXATION BY STOPPING SPENDING

Smelter Head Refers to Burden on Business—People Are to Blame

From Our Own Correspondent.

NELSON. — "There is only one way to avoid heavy taxation and that is by stopping Government expenditures," declares J. J. Warren, president of the Consolidated Mining & Smelting Company, to the delegates to the annual convention here of the Associated Boards of Trade of Eastern British Columbia. He said the outstanding development of 1923 at Trail smelter had been the completion of the Sullivan mine mill, which was now recognized the continent over and has been investigated by the Minerals Separation Company of New York. The experts of the latter firm had declared the plant in its construction and practice of treatment the greatest of its kind in the world.

Present operations at the Sullivan mine could be continued for the next 20 or 25 years. The West Kootenay power plant was being extended to give a capacity of 60,000 horse power. Production of the smelter had been during the past year $11,000,000 and of this no less than $7,000,000 had gone outside Canada.

Taxation was declared a heavy burden. Mr. Warren declared that the company was asked to pay from $400,000 to $450,000 a year. Prior to the war this would have been only one-sixth as heavy. But the only way to avoid taxation was to stop Government expenditure. The people and not the politicians were to blame.

CANADIAN TIES FOR AFRICA

VICTORIA.—A despatch from London, England, states that the Sudan Government, through Capt. E. C. Midwinter, general manager of railways and steamers, Sudan, Africa, has accepted a tender from a British Columbia firm for 150,000 railway ties of Douglas fir. The contract expressly stipulates that the railway ties shall be of Canadian origin.

Pulp and Paper Securities

ABITIBI EARNED $9.59 PER SHARE; MORE THAN 1922

Company Spent Further Large Sums on Its Plant

From Our Own Correspondent.

MONTREAL.—Abitibi Power and Paper Company has just about rounded out the construction programme that has been under way during the past few years, and its 1923 annual report, just issued, shows the total fixed assets of the company at $26,710,035. During the past year this figure was increased by nearly $1,250.000, largely through work on a railroad, and the enclosing of the barking operations.

The following figures are interesting in showing the extent of Abitibi's extensions during the past few years. They indicate the amount at which fixed assets have been carried on the books of the company at the end of each of the years mentioned:

1919	$14,283,695
1920	20,555,909
1921	24,905,189
1922	25,481,845
1923	26,710,035

$12,500,000 New Money

The figures represent an increase in the past four years of $12,500,000 which is $1,250,000 more than the entire present funded indebtedness of the company. These figures explain in a large measure the comparatively low working capital of the Abitibi company.

For the year ended December 31 1923, Abitibi's earnings were $9.59 per share of no par value of common stock, which figure compares with $7.24 in the previous year. Total sales of the company were considerably larger than in the previous year and net earnings also showed a substantial increase. While they fell below the 1921 total, they were not decreased by the large sums set aside as depreciation reserve that marked that year.

The profit and loss figures for three years compare as follows:

	1923	1922	1921
Receipts . ..	$11,047,667	$9,461,299	$8,861,810
Expenses . ..	6,768,088	5,846,462	4,183,637
Net earn. . .	$4,279,579	$3,614,837	$4,678,172
Interest	882,624	929,123	849,743
Balance	$3,396,955	$2,685,714	$3,828,429
Deprec., etc. .	*930,186	*803,391	*989,762
Balance	$2,466,769	$1,882,323	$2,838,666
Pfd. divs. . .	70,000	70,000	70,000
Balance	$2,396,769	$1,812,323	$2,768,666
Com. divs. . .	1,000,000	500,000	250,000
Balance	$1,396,769	$1,312,323	$2,518,666
Adj. Gov. tax	——	53,177	——
Balance	$1,396,769	$1,259,146	$2,518,666
Prev. bal. . .	4,807,238	3,548,092	3,688,571
Total	$6,204,007	$4,807,238	$6,207,237
Deprec. res. . .	——	——	2,177,144
Balance . . .	$6,204,007	$4,807,238	$4,030,093
Gxt. tax 1919-20	——	——	482,000
P. & L. bal. ..	$6,204,007	$4,807,238	$3,548,092

*Including income tax for current year.

The excess of current assets over current liabilities, according to the report, is about $2,100,000. However there are reserves for bad debts and depreciation of inventories of $335,000, that might, by close figuring, be deducted from this total. In the case of these two items, it is not assured that they will actually remain as charges against profits. Abitibi never loses money by bad debts in its newsprint sales. There are occasional losses in selling goods to employees and on similar accounts, but the bad debt reserve of $24,000 seems a generous amount for this. The reserve of $311,821 set aside for depreciation of inventories is understood not to refer to the depreciation set aside for wood in 1920, for all of the high priced wood on hand in that year, when prices slumped, has been used up, and this reserve has been set up to protect the company against any loss in connection with wood cut during the past year.

The company's bank loan of $1,000,000 has not been reduced any. It is possible that the coming year will see some action towards reducing this item. Evidently a reduction was not possible during the past year, when $12,550,000 was spent on plant and $750,000 was paid off bond issues.

The profit and loss balance now stands at $6,204,007, an increase during the year of $1,396,769.

The president, Alexander T. Smith of Chicago, states: "The company's properties are in excellent condition and production is steadily increasing.'

NORWEGIAN STRIKE CLOSES MANY MILLS

United States Paper Makers Are Expecting to Greatly Increase Exports

From Our Own Correspondent.

NEW YORK.—The closing down of the Norwegian pulp and paper mills and the imminent elimination of Norway as a factor in the world pulp and paper market has already had its effect on the American export paper business. A number of paper exporters tell your correspondent that the number of inquiries they are receiving from foreign sources is increasing daily. The greater part of the increase in the volume of inquiries is apparently due to an increase in the number coming from South America. Foreign buyers of pulp and paper appear to be reading the signs in the business sky, and to be concluding that even high-priced American paper is better than none at all.

Local paper exporters are convinced the volume of United States exports will show a substantial increase this month over any month last year.

The following tabulation gives the production of the Norwegian mills that have been closed by the strike:

Bleached sulphite mills with daily production of 430 tons.

Unbleached sulphite mills with daily production of 370 tons.

Sulphate mills with daily production of 43 tons.

Ground wood mills with daily production of 900 tons.

CANADIAN PAPERBOARD

The Canadian Paperboard Co., Ltd., which operates paperboard mills at Montreal, Frankford, Ont., and Campbellford, Ont., has redeemed the first installment of their outstanding $800,000 7 per cent. bonds, amounting to $30,000, in accordance with the trust deed. A similar installment is required to be taken up the first of April of each year.

ABITIBI PAPER

Around the financial district there were some disappointed folks this week when the Abitibi report came out. The report indicated earnings of $9.59 per share which was less than the $11 or $12 a share that had been whispered about as what Abitibi would show. But as is usually the case the disappointed ones were those who had been freely forecasting the higher earnings without any sound knowledge to work on. The report indicated a rather satisfactory position; construction program just about completed; working capital small as compared with some companies, but large enough when the heavy bond retirements are considered; conservative action regarding inventories and common dividends much more than earned.

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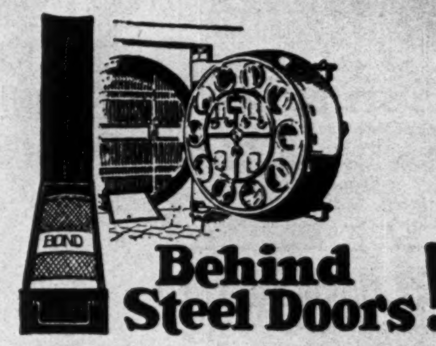

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LEBEL ORO DOES WELL

Lebel Oro is drifting east on the 200-ft. level. High values have again been encountered beyond the faulted area. Recent drifting has disclosed good milling ore across the full width of the drift.

MINING NEWS FOR THE INVESTOR

ONTARIO OUTPUT OF MINERALS UP OVER SIX MILLIONS

Nickel-Copper Mines Provided Bulk of Increase—Gold Was Lower

Figures on Ontario mineral production for 1923, just issued by the Government, show a metallic output of $42,879,331, with gold providing 971,518 ounces, value $20,082,586, as compared with 1,000,199 ounces, value $20,674,109 in 1922. The falling off was due to the severe power shortage which crippled the Porcupine mines early in the year. Production for the last half of the year was much heavier and is now running about $2,100,000 monthly. The total mineral output for the year was $68,284,658 as compared with $62,202,298 in 1922.

Silver production was higher.

The figures are: 1922, 9,167,846 ounces, $6,491,271 value; 1923, 10,706,506 ounces, $6,905,741 value.

The increase was due to the developments in South Lorrain by Keeley and Mining Corporation.

The nickel-copper mines at Sudbury are now producing on a pre-war basis. The price of their main product for peace-time uses is much lower than those prevailing during the war. Copper prices strengthened lately and may go higher. The market for nickel seems to be expanding rapidly.

The nickel-copper figures:

	1922		1923	
	Quantity	Value	Quantity	Value
Nickel Metallic, lbs.	11,175,326	$3,174,434	23,237,334	$4,687,931
Nickel Oxide, lbs.	2,399,887	391,119	11,488,570	1,668,155
Nickel Matte (export), tons	8,689	3,475,649	10,691	3,207,330
Copper, lbs.	4,503,358	515,093	14,420,244	2,087,227
Copper Matte (export), tons	7,774	1,554,731	6,844	1,368,840

Non-metallic production was valued at $8,757,833 as compared with $7,380,311 in 1922. Natural gas and salt were the two main items. Construction materials were valued at $11,864,031, a slight increase, while clay products were $400,000 lower.

Great Development on the Wright-Hargreaves

Wright Hargreaves made real progress last year. Shaft sinking, cross-cutting and drifting totalled 3,593 ft. This work is preparing the mine for the mill enlargement. There is a year's broken ore in the stopes. During 1923, the daily tonnage through the mill was 225, and this should reach 450 by the end of 1924. Production last year shows a decrease of $8,000 in bullion output and $57,000 decline in profits. Both these facts are traceable to the heavy development program, as evidenced by the fact that the average recovery was $9.52 per ton. This in no way reflects the true average of the mine's ore. Costs were: development, 91c.; stoping, $1.59; and milling, $1.55, or $5.93.

WANT DUTY ON LEAD

NELSON.—A request that lead now being allowed to enter Canada free of duty in the form of tea lead and tin foil, to the disadvantage of Canadian lead producers, be placed under an adequate rate of duty, has been sent to the Government by the Associated Boards of Trade of Eastern British Columbia. It is stated that Canada can now supply all the material of this kind needed and that it will be Canadian lead produced and refined by Canadians.

CLIFTON OPTIMISTIC

Shareholders Asked to Approve of Change and Wind Up Old Company

Clifton-Porcupine shareholders are called to meet March 21, to ratify the exchange of shares into Clifton Consolidated, on a basis of two old for one new and to surrender the old charter. A letter to shareholders of the company says of the new South Lorrain property:

"The new board feels decidedly optimistic with regard to the possibilities of the new South Lorrain properties which were chosen because of similarity of geological conditions thereon to those which prevail on the properties in that district which have been notably successful with the last year. An energetic compaign of development of these new properties is planned to begin just as soon as weather conditions are favorable."

WETLAUFER UP AND DOWN

Wetlaufer is again in demand on the mining market, on rumors that it will reopen. This talk has been going the rounds lately, with the market responding well to rumors and denials, giving a fairly brisk market for those in the know to play with.

The Leading Editorial
in the current issue of
Gibson's Fortnightly Mining Review
compares conditions at Northern Ontario's Mines with those now prevailing in the markets.
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Marked Buoyancy to Most Mining Shares

There was a marked revival in the mining market during the past week. Buoyancy was shown by many of the larger issues in the gold list, while the silver leaders were somewhat neglected. There is an absence of striking news from the north, with the result that most of the good issues stood on a parity. Dome and Hollinger have displayed strength. Tough-Oakes-Burnside was in demand and the market answered accordingly. Lake Shore was the feature of the week's trading, selling to within two points of $4. This movement has been long expected. The advance discounts the increased earnings that will follow the starting of the enlarged mill.

Mining Corporation and Keeley were strong but not in as great demand as previously. Castle was the leader in the silver market. Trethewey, which has been dead for over a year, has come to life suddenly on a rumor that the holders were to get one share of Castle for every four Trethewey.

The volume of trading has been substantial, which is taken to indicate a return of the public to the market.

La Rose Report Likely To Show Loss for Year

The annual report of La Rose should appear soon. It will in a measure be disappointing, as it is likely to show a loss on the year's operations. This is doubtless due to the fact that the first part of the year was given up almost entirely to development. Production the latter part of the year was fairly substantial and should have made up a good portion of the loss of the early months. It is understood that the management has at last been able to make an examination of the old showing on the University and it may be that this will lead to something good in the way of development. It is understood that some excellent ore has been encountered on the Violet but the shoots are small and irregular and don't stand up well.

CASTLE TRETHEWEY

The recent advance of Castle Silver shares to about 75 is in anticipation of milling operations starting in April. Reports are that April production should be around 200,000 ounces. This will be a great achievement, and so perhaps a little discounting of thi figure is justified. Castle shares have a $200,000 preferred issue standing ahead of them.

HEADS INSTITUTE

Prof. R. C. Wallace Hails From Manitoba—Other Officers of Mining Organization

Prof. R. C. Wallace, Manitoba University, is new president of the Canadian Institute of Mining and Metallurgy. He is well fitted for the post and stands high in his profession. Dr. Wallace is one of the best-informed men in regard the possibilities of Northern Manitoba mining. Last year he spent the holiday season covering all parts of that province, especially around The Pas, and the review of conditions, which he issued later, proved valuable to mining men. Other officers of the institute for 1924 are:

Vice-Presidents—C. M. Odell, Sydney; N. R. Fisher, Thetford Mines, Que. G. C. Bateman, Cobalt, Ont.; A. A. Millar, Taylorton, Sask.; Wm. Ellis, Three Hills, Alta.; Thos. Graham, Cumberland, B.C.

Councillors: Nova Scotia—T. J. Brown, F. W. Gray, D. H. MacDougall, G. D. MacDougall, Dr. F. H. Sexton.

Quebec—T. C. Denis, J. R. Pearson, Col. J. J. Penhale, G. C. Riley, Capt. J. G. Ross.

Ontario—Geo. H. Gillespie, S. N. Graham, S. F. Kirkpatrick, John McLeish, Geo. E. Silvester.

Manitoba and Sask.—J. A. Campbell, John Galloway, R. J. Lee, W. LeB. Ross, L. G. Thompson.

Alberta—Major J. A. H. Church, M. J. Hilton, Geo. Kellock, H. P. Wilson.

British Columbia—C. E. Banks, Bernard Caufield, H. G. Nichols, M. E. Purcell, Nicholas Thompson.

TO SEEK ENGLISH CAPITAL

This year should be a red-letter one for Northern Ontario, is the prediction being made by Hon. Chas. McCrea, Ontario's minister of mines, who has announced that he will go to England to try and secure much needed capital for the mines.

NEW SHIPPER TO TRAIL

NELSON.—Shipments to the Trail smelter of the Consolidated Mining & Smelting Co., so far this year have reached the high total of 66,609 tons of ore and concentrates. Receipts for the third week of February were remarkably high—10,270 tons. The Strathmore mine at Greenwood has joined the list of shippers.

BERLIN BUYING SILVER

The Reich government in Berlin is contemplating a resumption of silver currency and for this purpose has concluded large silver purchases in the Berlin metal market. These purchases have been made at 96 gold marks a pound. this comparing with a quotation for silver on the international market of 480 gold marks a pound.

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CANADA'S MINERAL OUTPUT IS HIGHER

Increase in 1923 Was 16.1 Per Cent. Above Total of Year Previous

Figures on the 1923 mineral production of Canada show progress in all branches, with several new records achieved. The total advance was 16.1 per cent., the figures being, 1922, $184,297,242; 1923, $214,019,832.

The record year was 1920 with $227,859,665. Copper production more than doubled, reaching 87,940,000 pounds, nickel 62,450,000. In 1922 the latter was 17,590,000 pounds. Gold and silver fell below 1922, the value being $36,800,000. By provinces the figures are:

Ontario	$79,916,836
British Columbia	$44,143,390
Alberta	$31,646,816
Nova Scotia	$30,534,176
Quebec	$19,827,495
Yukon	$ 2,641,745
New Brunswick	$ 2,205,846
Manitoba	$ 1,753,908
Saskatchewan	$ 1,349,620

All Nickel Refining Now Within Empire

Considerable hubbub is being raised about the bill before the Ontario Legislature, placing the nickel-copper mines on the same taxation basis as other mines. Heretofore the Sudbury mines have paid two per cent. more than other mines on profits between $10,000 and $1,000,000. One of the first announcements of Hon. Chas. McCrea, minister of mines, on assuming office, was that he was going to place all mining enterprise on a parity. He reiterated this frequently. The whole mining industry knew what he was about. Every paper published his statement, especially that before the members of the American Institute of Mining at Copper Cliff. Now that the bill is about through the House, many are claiming that they never heard of it. They also point out that nickel mines are not mentioned in the bill. Neither are gold or silver.

The added tax on the nickel-copper mines was the result of the war-time agitation when International Nickel was sending all its nickel to New Jersey for refining. This condition has passed. That company does its refining at Port Colborne. British American Nickel near Ottawa and Mond ships its nickel to its refinery in Wales. Thus all the nickel now produced is refined within the Empire.

CROSS CUTTING TOWNSITE

Good progress is being made in shaft sinking on the Townsite, Kirkland Lake. A. D. Miles is conducting the operation for John Taylor & Sons, London. The shaft has halted at 150 feet to run cross-cuts a short distance to tap two veins cut by diamond drill holes. When this work is completed the shaft is to be continued to 300 feet.

NIPISSING'S EARNINGS

Nipissing's dividend for the second quarter has been declared. The financial statement shows liquid assets of $4,536,195. February production was $165,983, while $306,207 in silver was shipped. January earnings were $148,596.

SILVER AND OTHER METALS

March	10	11	12	13
Silver—				
London (P)	33½	33 13/16	33¾	33⅝
New York	64	64¼	64	64¼
Copper	—	14⅛	14⅛	14⅛
Lead	—	9	9.50	9.50
Zinc	—	6.55	6.57	6.55

Mining Stock Quotations

Week Ending March 11.

	High	Low	Close Mar 11	Close Mar. 4
Apex	2½	2½	2½	2½
Algonquin	2	2	2	2
Argonaut	52¾	50	51½	52½
Atlas	4½	4	4½	4½
Baldwin	4⅞	4½	4½	4¾
Beatty	4½	4	4½	4½
Beatty, rts.	3¾	3½	3¾	3¾
Beaver	33	24	29	24
Bidgood	10¾	10¼	10¼	10¾
Buckingham	5	4¾	4¾	5
Capitol	33	32	32	32½
Castle Tre.	79½	71	78	71½
Can. Lorrain	49	45	48½	50
Coniagas	2.20	2.00	2.05	2.10
Cons. Smelters	37	36	36½	36¾
Cons. W. D.	28¼	25	27½	25½
Clifton	9	8	8	9
Col. Kirk	4	4	4	5¼
Crow Res.	64	61	63	62½
Dome Mines	18.45	17.80	18.45	17.90
Dome Kirk.	1	1	1	1
Everett	13	12½	12½	13
Gifford	¾	¾	¾	—
Gold Reef	2	1½	1½	2
Goldale	26¼	25	26	26¾
Hattie	9	7¾	9	7½
Hollinger	12.05	11.40	12.00	11.50
Hunton	6	5½	5½	6½
Inspiration	8	7	7½	9
Indian	32	30	32	32
Keora	12½	10¼	11½	10
Keeley	2.38	2.27	2.38	2.28
Kirk. Lake	22¾	18	21	19
La Rose	22	21	21¼	22
Lebel Oro	35	34	34	35
Lake Shore	3.99	3.62	3.91	3.62
Lorrain, T. L.	1.25	1.20	1.24	1.28
Lorrain	14½	13½	14	14¼
McIntyre	17.00	16.65	16.95	17.00
McKinley	16	13¾	16	14¾
Mining Corp.	3.55	3.42	3.45	3.42
Moneta	21	21	21	21
Montreal, Ont.	15½	14	14½	15
Newray	37½	35½	37½	37
Nipissing	6.50	6.45	6.50	6.45
Lakeside	24½	21	23½	21
Night Hawk	95	94	94½	94
Ophir	3¾	3	3¼	3¼
Pete. Lake	8¾	8½	8½	9
Porc. Crown	9	8½	8½	8½
Rouyn	45	43	43½	42
Preston, E. D.	13	12¼	12¼	12¾
Teck Hughes	1.28	1.24	1.26	1.25
Thomp. Krist	6	5	6	6
Timiskaming	30½	30	30	30
Tough Oakes	74	70	72½	71
Trethewey	15	10½	14½	10½
Vickers	20	19	20	21
Vipond Cons.	1.29	1.23	1.24	1.21
Wakenda	4	4	4	3½
Wasapika	3¼	3	3	3¼
West Tree	5¼	4	4	5½
Wettlaufer	24¾	20¼	24½	20¾
Wright Har.	3.25	3.05	3.10	3.00
NEW YORK PRICES				
Inter. Nickel—				
com.	13¼	13	13	13¼
pref.	79	79	79	80
OIL COMPANIES				
B. A. Oil	37	35¼	35¾	36¼
Imperial Oil	113¼	111¼	111½	111¼
Inter. Petrol	20⅝	20¼	20½	20¾
Mutual Oil	13	12¼	12½	12¾
North Star, com.	1.05	1.00	1.00	1.05

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F. N. Burt Company, Limited

Report of the Directors to the Shareholders for the Year Ended December 31st, 1923

The Directors present to the Shareholders their Fifteenth Annual Report with the accompanying statement of Assets and Liabilities as of December 31st, 1923:

Balance brought forward from 1922	$1,011,650.57	
Less: Federal Taxes on 1922 earnings paid in 1923	61,356.46	
	$ 950,294.11	
Profits for the year	594,257.96	
		$1,544,552.07

The Appropriations were as follows:

Transferred to Realty and Plant Reserve	$ 200,065.53	
Written off Patents	24,511.20	
Dividends on Preference Stock Nos. 54, 55, 56 and 57 at the rate of 7 % per annum	29,975.75	
Dividends on Common Stock Nos. 53, 54, 55 and 56 at the rate of 10% per annum	229,697.50	
		484,249.98
Balance carried forward to 1924		$1,060,302.09

The Profit and Loss balance is subject to deduction of Federal Income taxes on the year's profits. We have not succeeded thus far in having all previous years' tax returns audited by the tax authorities. When this has been accomplished, there may be some additional taxes to pay by way of adjustment.

Business continued in good volume throughout the year. A large amount of development work was carried on in respect of new departments, which give promise of adding to the Company's earning power. The expenses, which were considerable, in this connection have been charged into the year's operations.

By order of the Board,

S. J. MOORE,
President.

Statement of Assets and Liabilities, December 31st, 1923

ASSETS

Real Estate and Buildings	$ 897,195.30	
Plant, Machinery and Equipment	1,790,750.11	
Investments in Other Companies	189,036.31	
Patents and Goodwill	785,526.29	
		$3,662,508.01
Merchandise	$ 863,519.81	
Prepaid Expense	84,138.82	
Accounts and Bills Receivable	400,539.73	
Cash	222,082.06	
		1,570,280.42
		$5,232,788.43

LIABILITIES

Capital Stock Issued:			
Preference Stock		$ 392,700.00	
Common Stock		2,332,500.00	
			$2,725,200.00
Dividends Payable Jan. 2, 1924:			
Dividend on Preference Stock No. 57	$ 6,933.50		
Dividend on Common Stock No. 56	58,225.00		
		$ 65,158.50	
Accounts and Bills Payable		187,205.68	
			252,364.18
Mortgages on Properties Purchased			38,000.00
Realty and Plant Reserve		$1,156,922.16	
Profit and Loss Account (subject to Federal Taxes)		1,060,302.09	
			$2,217,224.25
			$5,232,788.43

At the Fifteenth Annual Meeting of Shareholders held on March 11th, 1924, the President, Mr. S. J. Moore, reviewed at length the Company's operations of the past year.

The Board of Directors was re-elected as follows:— S. J. Moore, A. E. Ames, F. N. Burt, James Ryrie, Alfred Jephcott, William Findlay, Ph.D., Hon. H. S. Duell, C. W. Colby, Ph.D., and M. R. Cass.

The officers were re-elected as follows:— S. J. Moore, President; A. E. Ames and F. N. Burt, Vice-Presidents; E. G. Baker, Secretary; and W. N. McLeod, Assistant Secretary.

NEWS OF THE BANKS AND BANKING

GUARANTEE IS NO PROTECTION FOR DEPOSITOR

Experiment Hasn't Worked Out in United States

NEW YORK.—The guaranty of bank deposits as a means of preventing loss to depositors has proved a failure, according to a study of the various state laws, made by a local bank. Early in 1923 the state of Oklahoma, according to this survey repealed its law, and it appears likely when the smoke has cleared away in the Northwest the Dakotas, where the deposit guaranty laws are still in effect, will repeal their laws as well.

The question as to whether the state guaranty laws in the Dakotas will be able to save the depositors of the sixteen banks that have failed in those two states during the last fourteen months is still an open question. Local bankers, with an intimate knowledge of conditions in the Northwest, however, assure your correspondent, that they will not. They point out that most of the largest banks in the two states are in difficulties, and that as the greater part of the banks in the state are small institutions with less than $25,000 capital, the receivers of the failed banks can look neither to the large nor the small banks for any assistance in the direction or rehabilitating the state funds.

According to the latest available statistics, some sixteen state banks have failed in North and South Dakota. The deposits involved total over fourteen million dollars.

The difficulty the state governments will experience in attempting to assess the various state banks to provide for the rehabilitation of the state deposit guaranty funds may be gauged from the fact that in the two states, on August 1 last, there were some 1,535 banks, of which 1,198 were small state institutions with a capital in most cases hardly large enough to operate country stores.

Incidentally it is interesting to note that apparently the Dakotas were seriously "overbanked." If a comparison is made with the provinces of Alberta and Saskatchewan which together have about the same population as the Dakotas, we find that while the Dakotas had one bank for every 836 persons within their borders, the two Canadian provinces had only one branch bank to every 1,661 persons.

Dealers in Government, Municipal and Corporation Bonds

Write for Current List of Offerings

R. A. DALY & CO.
BANK OF TORONTO BUILDING
TORONTO

Low In Cost

No hardwood flooring can compare with Red Deer brand Selected Red Birch for rich color, beauty of grain, and splendid wear. It is astonishingly low in price. Red Deer brand Selected red 13/16 birch is lower in price than clear, quarter cut 3/8 oak. And it gives you a real floor, not just a veneer. For further information write Muskoka Wood Manufacturing Company, Limited, Huntsville, Ont.

Red Deer brand birch Hardwood Flooring

Two Branches Opened and Ten Were Closed

The Canadian chartered banks report the opening of only two new branches during the month of February, while for the same period ten branches were closed. Following is a list of the branches opened and closed:

OPENED

Standard—Ontario.
Toronto—Inglis, Man.

CLOSED

Commerce—South Barrington, Halifax; Battleford, Sask; Calgary (Bank of Hamilton branch); Vilna, Alta.
Hochelaga—St. Brieux, Sask.
Montreal—Brooks, Alta.; Kelsey (subagency to Rosalind); Mission City, B.C.
Nova Scotia—Wilcox, Sask.
Provinciale—St. John, South End.

BANK SWINDLERS GET $50,000,000 A YEAR

Culprits Use Various Methods and in Most Cases They Avoid Arrest

NEW YORK.—Of ninety warnings against bank swindlers issued recently by the protective department of the American Bankers' Association forty-one were of forgers and forty-five of bogus check passers, according to a statement issued by Julius Mentzel, New York agent of the General Indemnity Corporation of America.

Twelve of the forty-one forgers whose methods were described, Mr Mentzel said, operated by means of stolen blank checks, which they filled out to the payee's name in the amounts desired, forging the signatures. The other operators used checks upon which the signature was genuine, retaining the signature but either "raising" the amount of the checks or changing the names of payees. Probably some of these checks were stolen from the mails.

"The protective department's warning as to bogus check passers probably refers in most instances to checks issued by persons having no accounts at the banks on which they were drawn, or drawn by non-existent concerns, or even on banks which have no existence, and two cases are cited where the swindlers went to the trouble of having the checks printed, which is known as counterfeiting and is a common practice.

"These cases reported in a single month probably represent but a tithe of the bank frauds perpetrated or attempted. In nearly all of the cases reported the swindlers were successful and eluded arrest. They are part of the active band whose operations cost the nation from $50,000,000 to $75,000,000 annually in forgery losses.

"No check forgery can be successful without the collusion of carelessness on the part either of the maker of the check or the bank. If the maker has not guarded his blank checks against theft or has drawn his check with little or no thought to preventing its successful alteration he has not used that 'due diligence' which decisions have held put responsibility for loss upon the banks.

"But in the face of the great aggregate of $50,000,000 to $75,000,000 forgery losses annually, controversy as to whether the maker or the bank is responsible seems futile. The real issue is whether or not steps to prevent these losses are worth while; experience would seem to indicate that they are very much worth while, and bankers and business men generally are of this opinion.

"Alteration or raising of checks is made impossible by the devices by which the amount of the check is shredded into the paper in two colors. In addition, the changing of the payee's name, date or number is prevented by the use of anti-forgery paper, the supply of which, in some instances, is so controlled that it is impossible for a crook to obtain a blank check for forgery of signature, unless the purchaser has failed to guard them. One of these anti-forgery checks is so scientifically made that when the forger's acid is applied it flashes the word 'void,' thus nullifying the instrument.

"The forgery bond, which includes insurance against the forged indorsement, is the final step in complete check protection. With these safeguards the business man to-day can so protect his negotiable instruments that possibility of lawsuit is largely removed."

NEW FORM OF CHECK

The Coal and Iron National Bank of New York, announce a new form of check designed to prevent the raising of the amount for which it is drawn except within a narrow limit. The check differs from that in ordinary use in that on its left hand it bears figures that correspond closely with an amount which may be drawn from $1 to $50,000. These figures are used similarly to the figures on postoffice money orders.

Weekly Bank Clearings

(In comparison with same week last year).

EASTERN CITIES

	Mar. 7, 1923	Mar. 6, 1924
Halifax	$2,906,538	$2,708,925
St. John	2,638,433	2,463,548
Moncton	1,114,381	800,120
Quebec	4,963,289	5,191,997
Sherbrooke	836,786	715,436
Montreal	100,241,960	106,056,756
Ottawa	6,996,214	6,413,652
Kingston	655,651	628,946
Peterboro'	769,276	808,215
Toronto	95,463,014	94,790,936
Hamilton	6,029,716	5,078,537
Brantford	927,154	911,330
London	2,823,552	2,740,137
Kitchener	1,063,808	949,882
Windsor	3,258,958	3,384,399

WESTERN CITIES

	Mar. 7, 1923	Mar. 6, 1924
Fort William	$ 761,647	$ 859,865
Winnipeg	36,047,409	41,314,304
Brandon	584,752	539,073
Regina	3,118,498	3,201,212
Moose Jaw	1,028,945	1,088,582
Saskatoon	1,446,642	1,590,499
Prince Albert	361,681	385,180
Lethbridge	537,969	663,729
Calgary	4,366,608	5,864,355
Edmonton	3,977,257	4,362,308
Medicine Hat	358,255	359,273
N. Westminster	512,628	591,930
Vancouver	15,300,286	15,600,166
Victoria	1,697,519	2,093,367

BANKS DO NOT FIX THE RATES FOR EXCHANGE

Merely Sell it Like Grocer Sells Butter and Eggs

By A. B. Barker

The fluctuations in rates of foreign exchange furnish cause for much caustic comment. The reason given by the banks is simply that they charge the market rate, but the man on the street, who yesterday purchased New York draft at a premium of 3 per cent., and to-day is asked 3½ per cent. premium, thinks there is a very large ethiopian in the woodpile

When the premium was steadily advancing a few years ago to 17 per cent. nothing would satisfy him but the blood of the Yankee financiers who were skinning the Canadians, but now that we in Canada are depending on those same Yankees for our loans it would not be politic to express himself so vigorously. Another victim must be found, and this time it is the banks who are using this means of extracting additional profits. He never stops to see that as the rate goes up so does the rate which the bank pays for these funds. Also, it never occurs to him that these funds which the bank sells to him are purchased from someone in Canada and not from the United States. All he knows is that he is paying more than he calculates and must blame someone.

In the good old days before the war the gold was obtainable on demand and, consequently, never asked for—rates fluctuated very little. New York funds were as a rule at par, or, if anything, at a slight discount, due to the supplies of sterling, which were sold in the New York market by Canadian shippers, and a change in the rate of as much as a sixteenth of one per cent. called for press comment. But times have changed; Canadian shipments to Europe have fallen off, and British investors are no longer buying Canadian securities, not because they have not the will, but because the rates of exchange are so heavily against them that it is no longer profitable.

Goods the Basis

Also, we are not buying so much abroad, and this in itself is an indication, as the only way in which the money of one country can come to another is in the form of goods. If we do not buy British goods we cannot have British money. The only way we can make use of the American money we are borrowing through the sales of Canadian securities in the United States is to buy American goods in Canada. There is no other way, as American money itself has no status in Canada any more than Canadian money has a status in the United States. Each is simply a promise to pay, and must go to the country of issues for redemption There its only use is to pay for goods and services when a sale of goods or securities is computed by a Canadian to an American, the Canadian obtains a bank draft payable in the United States. This he sells to his bank in Canada, and receives in exchange Canadian funds, plus whatever is the market premium on American funds The bank in turn in order to use these funds, and make its profits on the transaction, sells to some other Canadian a draft on its American correspondent, to whom it has remitted this draft purchased by it for collection. The bank is simply a trader in the funds, and, like any other regular trader, buys at wholesale and sells at retail. It must make its profit on the transaction in order to remain in business. It costs something to operate the necessary machinery. Its correspondent does not carry the account for nothing, and it has its own organization to maintain. The spread between the buying and selling prices is wider now than formerly, but this is easily understandable in the rapid fluctuations in the prices of the commodity in which it deals.

The bank's function in the matter is no different from that of a grocer buying and selling butter and eggs. It must buy before it can sell, and like him its profit comes not from piling up a large stock and then boosting the price, but in buying and selling at the market, and profiting from the volume of its turnover.

Exchange

With regard to the maintenance of the gold standard, J. W. Beaumont Pease, chairman of Lloyd's Bank made the following statement at the annual meeting of the shareholders of that institution:

I am a little diffident in approaching this subject, as some of the brilliant protagonists of the proposal finally to scrap the gold standard and set up a new standard for our currency, based on an index figure of prices, the currency fluctuating in amount as the index figure moves up or down, state that the intricacies of the theory are beyond the intellectual capacity of bankers to grasp. One drawback to the proposal, even from the point of view of its supporters themselves, is immediately observable. The task of adopting this theory and of putting it into practice will be largely left in the hands of those very people who are considered incapable of understanding it! Another disadvantage is the difficulty of arriving at an index figure which would generally be accepted as accurate. And even if the avowed object of obtaining a stability of prices was realized by these means, it leaves out of account altogether the fluctuations which we would still have in foreign exchanges. To a country like ours, which depends so largely on foreign trade, and which has the burden of a great foreign debt to meet, this is a consideration which vitally affects the whole question. I, therefore, am hopeful that we may gradually get back to our old gold standard, which, in spite of some defects and difficulties, has as a matter of fact, worked well in the past, and still seems to one to offer better prospects in the future than any alternative.

NEW YORK FUNDS

	High	Low	Last Year High	Last Year Low
Mar. 6	3 15-32	3 13-32	1 3-4	1 23-32
Mar. 7	3 1-2	3 7-16	1 7-8	1 3-4
Mar. 8	3 1-2	3 15-32	1 29-32	1 7-8
Mar. 10	3 19-32	3 1-2	1 7-8	1 13-16
Mar. 11	3 21-32	3 9-16	1 15-16	1 29-32
Mar. 12	3 9-16	3 17-32	2 1-64	1 15-16

STERLING, FRANCS AND LIRE

	Sterling Demand	Francs Demand	Lire Demand
Mar. 6	4.29⅝	3.95	4.28
Mar. 7	4.28⅛	3.75	4.25¼
Mar. 8	4.25¾	3.42	4.13
Mar. 10	4.26¾	3.75	4.08¼
Mar. 11	4.29⅞	3.85½	4.20⅛
Mar. 12	4.30¼	4.16⅛	4.24½

Staff Gossip

W. A. Reid has been appointed manager of the Thorndale branch of the Bank of Montreal. He comes to Thorndale from the branch at Holstein, of which he has been manager for the past three years.—The Free Press, London.

* * *

F. W. Anderson has been appointed manager of the Castor branch of the Bank of Montreal in succession to O. C. Smith, who has been promoted to the Okotoks branch as manager.—The Advocate, Castor.

* * *

J. B. Smith, manager of the local branch of the Canadian Bank of Commerce has been promoted to assistant inspector of branches in Manitoba and Saskatchewan, with headquarters at Winnipeg.

Mr. Smith's successor here is Andrew Smith, at present in charge of the Kincaid (Sask.) branch.—The Herald, Herbert.

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NAVY CUT
CIGARETTES
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and in tins of 50 and 100
More sold than all other brands combined
PLAYER'S NAVY CUT
CIGARETTES
"MEDIUM"
Beautifully Cool and Sweet Smoking

New Issue.

$250,000
Avon River Power Company
First Mortgage 6½ per Cent.
30-Year Sinking Fund Gold Bonds

Dated July 1, 1923. Due July 1, 1953.

BOARD OF DIRECTORS

W. H. CHASE, Wolfville, N.S. .... President. Director, Eastern Trust Co.; Trinidad Electric Co., Limited; Porto Rico Railways, Limited.
G. W. HENSLEY, Halifax, N.S. .... Director, Pickford & Black Limited.
R. A. JODREY, Wolfville, N.S. .... Director, Gaspereaux River Light, Heat & Power Co., Limited.
C. H. WRIGHT, Wolfville, N.S. .... President, Gaspereaux River Light, Heat & Power Co., Limited.
T. B. AKINS, Windsor, N.S.

Principal and semi-annual interest payable at any branch of the Royal Bank of Canada in the Maritime Provinces. Coupon bonds in denominations of $1,000 and $500 registerable as to principal only. Redeemable as a whole at the Company's option on any interest date on thirty days' notice at 105 and accrued interest.

EASTERN TRUST CO., TRUSTEE
Issue authorized by Nova Scotia Public Utilities Commission.

CAPITALIZATION

	Authorized	Issued
Bonds	$600,000	$250,000
Preferred	250,000	
Common	250,000	225,000

From a letter of Mr. W. H. Chase, President of the Company, and from the Deed of Trust, we summarize as follows:—

THE COMPANY

The Avon River Power Company was incorporated for the purpose of developing and distributing hydro-electric energy in the Annapolis Valley, Nova Scotia, in the rich districts adjacent to Windsor and Wolfville. Construction was started on the initial development of 2,500 h.p. in June, 1923, was completed and power turned on February 16th, 1924. The Company owns another power site, which, using the same water, can develop a further 3,000 h.p., bringing total development to 5,500 h.p. The Company will serve an area of approximately 100 square miles, containing the towns of Windsor, Wolfville, Kentville, Canning, Hantsport and Berwick, while the surrounding farming district is one of the most fertile and prosperous in Canada.

SECURITY

The bonds are secured, in the opinion of counsel, by a first mortgage on all the assets now owned or hereafter acquired.

VALUATION

The Board of Commissioners of Public Utilities of Nova Scotia, under whose jurisdiction this Company operates, has given a valuation of the Company's properties for rate fixing purposes of $424,000, or over one and three-quarter times the present bond issue. The balance of $174,000 over the amount of the mortgage, representing actual expenditures, was provided through the disposal of junior securities. No bonus shares are being issued. Further issues of bonds can only be made for new developments or acquirements on the basis of 75 per cent. of the cost and when earnings are equal to one and one-half times the amount required to pay interest on outstanding bonds and those proposed to be issued, and when sanctioned by the Board of Public Utility Commissioners.

EARNINGS

The Nova Scotia statutes provide that a public utility shall be entitled to earn at least eight per cent. net on the value of its property. Under the valuation of the Public Utilities Board, the Company will be permitted to fix rates to show them at least eight per cent. on $424,000, or $34,000, after operating expenses, maintenance and depreciation, sufficient to pay the bond interest twice over.

SINKING FUND

Commencing July 1st, 1925, and annually thereafter, the Company will pay to the Trustee for the Sinking Fund a sum equal to 1½% of the greatest amount of bonds at any time outstanding.

ENGINEERS' REPORTS.

The Company's development has been favorably reported on by Mr. K. L. Warren, M.E., and by Mr. R. O. Sweezey, Consulting Engineer, of Montreal.

All legal details in connection with the issue have been approved by Messrs. Covert, Pearson and Rutledge, of Halifax.

We offer the above bonds at 100 and accrued interest, to yield 6.50%

JOHNSTON AND WARD
14 KING ST. EAST - TORONTO

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THE FINANCIAL POST HAS THE LARGEST PAID CIRCULATION OF ANY CANADIAN FINANCIAL PAPER.

MARCH 14, 1924

Edited for the thinkers of the nation—those people who analyze correctly and draw proper conclusions and who are responsible for the Nation's sound thought on matters political and economic.

I. W. W. HAVE EYES ON CANADA

THE I. W. W. strike in British Columbia has been called off. The agitators have failed to enforce their unreasonable demands, including the ridiculous suggestion that I. W. W. prisoners in United States jails should be released. The outcome was not only a victory for the employers but for the stable element in the community, represented in a united way through the Associated Boards of Trade of the province.

But a warning is issued that, although defeated in this effort, the I. W. W. has not been suppressed by any means. Propaganda to spread the grip of this radical organization throughout Canada, is being carried on. The lumber workers of Ontario are being organized and it is expected that a strike will be staged later on a much bigger scale, with the hope that workers generally will join in an uprising against constitutional control. Port Arthur is mentioned as the centre of the activities of the Reds in Ontario and THE FINANCIAL POST has already told of the startling conditions in that part of the country, as revealed in court before Judge Kelly.

As the result of the recent experiences in British Columbia, the Associated Boards of Trade of the Commerce are calling on the Federal Government to ban I. W. W. literature from Canada and to keep recognized trouble makers out of the country. The sane and sound labor organizations are also strongly opposed to the radical propaganda in which they see a menace to all the things which have been gained for the workers.

The dynamiting of buildings, the burning of wheat fields, the spiking of logs, resulting in loss of life in saw mills, and similar tactics, which have been employed by the I. W. W. in the United States, have proven that the organization is a menace to the public welfare and as such warrants the serious consideration of the law and the Government.

QUEBEC KNOWS ITS OWN PROBLEMS BEST

CRITICS of the new mining laws of Quebec should temper their criticism. Likewise they should not lose sight of the favorable features of the new legislation. There are aspects of the situation that should be carefully weighed. When this is done it will be found that the outlook is more than promising.

Mining progress in Quebec has undergone a big change in the last 15 months. Prior to that mining development had been more or less subject to the advances of colonization. Then Ontario prospectors went into north-western Quebec, their efforts resulting in the development of a mining camp similar to those found in Northern Ontario. The situation as it developed was one which the existing mining laws and regulations were not adequate to cope with. Some of these defects were impressed upon the Government and fairly quick results have been achieved.

The Quebec Government has shown a disposition to model Quebec's laws along the lines of those of Ontario. One example of this was the reduction in the size of claims from 200 to 40. This was a step in the right direction, but it met with faint praise when compared with the volume of criticism that arose when it was announced that the acreage tax was to be doubled.

The fact seems lost sight of that these changes are the first real progress that Quebec has made, or has been called upon to make. Thus, initial effort is being held up to comparison with the Ontario measure, the product of years and years of experience, amendments and study. The complete adoption of the Ontario law would have pleased, but it is not certain that the Ontario law would fill the bill. Ontario mining people may be quite sure that the Ontario measure is the best yet; Quebec people may be open to conviction.

We are satisfied that Quebec has taken a step in the right direction. We believe that the Government wants the law that will best develop its mining industry. For that reason we are hopeful of further consideration of the taxation features of the act. But we must look to public opinion from within the province, rather than to agitation from without. The Government in Quebec is appreciative of the problems which surround the industry, but we doubt if more than one-third of the people of the province know anything about it. To make any law effective it must have the backing of public opinion.

CONTROL THE "HIGH PRESSURE" SALESMEN

THE problem of protecting the public from worthless securities is made difficult because of the danger that legislative enactment may be taken as guaranteeing the offering made. This was one of the main points raised by Hon. G. Howard Ferguson, Premier of Ontario, in discussing the matter with the Ontario Associated Boards of Trade. It lends strength to the oft-repeated suggestion of THE FINANCIAL POST, to control those who do the selling, rather than the securities they sell. In other words license the stock salesmen. This and the gradual education of the people as to the futility of get-rich-quick schemes would perhaps get as far as it is possible to go.

Experience shows that every brilliantly-painted picture of the road to easy wealth, never fails to claim its quota of victims—handcuff the painter and his canvas will never reach the market. A fairly stiff salesman's license fee, a residence clause and an examining board to pass on all applications for a license, should round out an effective organization.

FINDS TOO MUCH PRO-GERMAN SENTIMENT

AN APPEAL by the "American Aid for German Medical Science", for financial assistance, addressed from Chicago to Canadian surgeons, has brought a very candid reply from Dr. J. T. Fotheringham, of Toronto. Dr. Fotheringham voices his protest through the columns of the University of Toronto Monthly, observing in his letter to the editor that "so far as outward appearance goes the sympathies of the university seem to be pro-German". His letter in response to the Chicago appeal follows:

> Toronto, January 16, 1924.
>
> Your appeal for "American Aid for German Medical Science" falls on ears that are stone-deaf. I was in the Canadian Expeditionary Force for six years less seven days and saw too much of the Boche ever to forget it. The Christian duty of forgiveness lies only to the repentant. They are absolutely unrepentant.
>
> Thyssen, Stinnes, and the other Jews in Germany have lots of money with which to help their fellow-citizens. It is up to them. From me not a dollar.
>
> Yours faithfully,
> J. T. Fotheringham.

IMPORTANT WORK FOR MR. McCREA

HON. CHAS. McCREA should accomplish much for Ontario mining on his trip to England, to attend the British Empire Mining Congress. He will meet the mining leaders of the world, including owners of rapidly-depleting mines of the Rand and in India. Many of these having large cash surpluses are in the market for new properties. Canada is the logical scene of their next venture. Mr. McCrea's mission will be to convince them of this. Being appreciative of the ability of the Ontario minister of mines to do this, THE FINANCIAL POST suggested some time ago that he make this trip.

Mr. McCrea knows the mining industry; he is in sympathy with its needs and thoroughly grasps its opportunities. His public pronouncements in England will weigh heavily with people worth while. He should take advantage of his opportunity to counsel the people of England to make sure with whom they are dealing. His remarks are going to be given wide publicity and his whole trip will be fully justified if he did nothing more than to direct funds, now going into questionable Canadian mining enterprise into legitimate channels where both the industry and the speculator will stand to benefit.

BY THE SWEAT OF HIS BROW

FROM one point of view, labor is the price we pay for living; from another, it is the penalty imposed in perpetuity upon the descendants of Adam in punishment of his sins; but from another, though rare, point of view, labor is among the chief pleasures of life. The pleasure derived from labor takes many forms; it comes in the form of the exquisite sensations that arise out of pure weariness; it is found in the excitement that accompanies all action; it comes from the intensity of concentration; we feel it when we contemplate a finished product and when we note the progress that is being made, and, finally, we take pride in the consciousness that we have and are contributing to the common effort and to the well-being of our immediate dependents. Men also find pleasure in doing things faster or better than their fellows, and also in striving toward these ends.

Men who do very little work themselves have a great deal to say nowadays about the monotony of present-day methods of production. These men have no imagination. The chief barrier between the average worker and the pleasures to be derived from labor is mental; it is the product of the feeling of being oppressed that agitators have subtly planted in the minds of many workers. Most of the things that would tend to increase the interest of the worker in his work are under the ban of the disapproval of labor unions or are suspect because many employers have attempted to turn them to their own advantage. The shirkers, the slip-shod, the careless and all those who cannot or will not bear their share of labor also discourage and mar the interest and the enthusiasm of the workers who can get real pleasure out of their work. The slackers banter and chaff the workers, partly because of innate discontent and partly on account of their fear that the enthusiastic workers will set new standards toward which they will be required to strive in their own work.

The unwillingness of workers to be exploited out of hand is understandable and commendable; the efforts of the agitators are tfice rewarded where they encounter or can cite cases of exploitation. The laborer is worthy of his hire, and each man should be paid according to his efforts and results. But payment on that basis is also against the union rules. These observations apply to all workers—to white-collar workers, to so-called brain-workers and to practically all fields of labor where the individual is necessarily influenced by the views and the attitudes of fellow workers.

Modern methods of production have caused us to lose sight of the essentially co-operative character of all productive effort. When the shoemaker sat at his last, when the tailor plied his needle and the farmer bartered his eggs or his butter for his shoes or a Sunday suit, it was easy for everybody to grasp the real meaning of labor, but it takes a little more imagination to see the relation between the farmer in the field and the operator of an automatic machine that day in and day out throws off the same minute part of a watch, a typewriter or a steam-tractor. Ten times in a hundred, the man at the machine never even sees the finished product to which he contributes a bolt or a nut. He does his bit, nevertheless; he even contributes more to the general welfare than the man who in other days turned off a finished product. He contributes more because he is a factor in producing more; he gets more himself and enables others to have more. The unimaginative say that the worker at the machine is cramped, that there is nothing to interest him in the operation he directs. Their idea seems to be that in order to obtain pleasure from his work, the machine operator ought to be able to stamp out a fully equipped automobile each time he pushes the button.

But of all the pleasures that can be derived from labor, this one of being denied the satisfaction of contemplating the finished product is the only one that the machine operator lacks. He is compensated for this by the transference of his interest to his machine and to the operation—the contented worker can always find something to interest him in his work, for his content grows from his knowledge that he is doing his share of the world's work and making the world a better place in which to live for those who are to come after him.—American Exchange National Bank of New York.

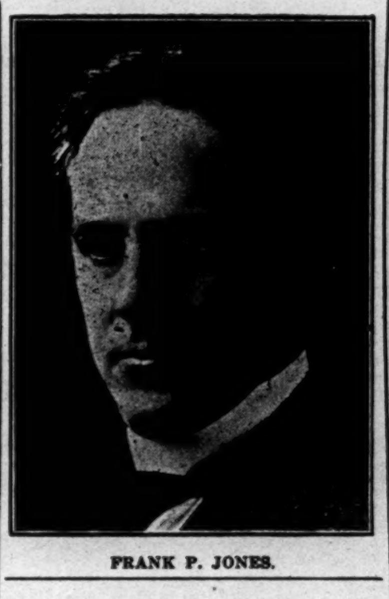
EDITORIAL NOTES

The statement that the money advanced to the Saskatchewan Co-operative Creameries is fully protected and that the Government could take over the concern and operate it at a profit, smacks of the thoughtless enthusiasm of the public-ownership advocates. However, the taxpayers of Saskatchewan will note with relief the statement of Premier Dunning that the Government has no intention of going into the creamery business. And it is to be hoped that the Government will not go so far in advancing public funds, that it will find itself in the creamery business whether it wants to or not.

He Went Back to Start at the Bottom But He Reached the Top

Frank P. Jones, President of the Canada Cement Company, Stoked a Boiler, Sold Life Insurance, Managed a Steel Plant and Helped to Draft the Peace Treaty

By FLOYD S. CHALMERS.



FRANK P. JONES.

Whenever a large-sized job crops up in Canada and a really big organizer and executive is required to fill it, it seems to be the general habit to ask Frank P. Jones to give a change of venue to his time card. That happened when Max Aitken formed the Canada Cement Company. He picked Jones as the one man big enough to run the organization and Jones accepted the post. Ever since then people have been picking Jones for big jobs. He was sent for by Ottawa during the war to run the war trade board; he was taken along to the peace conference as Sir Robert Borden's Col. House; he was asked to take over the job of running the Canadian government's railways; he was asked to drag the Riordon companies from their financial quagmires; he was mentioned as the one man who could reorganize and run the British Empire Steel Corporation.

Such a man must indeed be an executive of broad calibre. Frank P Jones is every inch of that. The story of his rise proves the opportunities for success in Canada.

Stoked a Boiler at 18

Frank Jones started at the very bottom of the ladder. He started there from choice. He came from an excellent family at Brockville, and had a good education, for he attended the Royal Military College. He was 18 when he left school and went to work. With his education and his family's friendships he could have started off in any one of a number of easy jobs. But he chose deliberately to start at the bottom of the ladder, and so he began his business career firing a boiler in a foundry at Gananoque.

After a few years in Gananoque, Frank Jones stepped into the line of work for which he has had a real flare all his life; selling. He sold insurance for the Canada Life Insurance Company, but only for a few months, for he got as far as Peterboro' and changed his affiliation to the Canadian General Electric Company. He was recognized as a good salesman, and the C. G. E. wanted him.

Again Goes Into the Shops

Frank Jones' first move was to astonish his new employers by asking for a job in the shops.

"But we want you as a salesman," they told him.

Jones insisted on donning a pair of overalls and getting to work in the factory. "How can I sell your equipment if I don't know how it's made and if I don't know anything about electricity?" he demanded. One year he put in on hard work, rather dirty work, but when he was through he knew the goods he was selling.

He knew them well and he sold them well. His fame as a salesman spread, and through the medium of one of the salesmen of the Nova Scotia Steel and Forge Company reached the ears of Graham Fraser in New Glasgow, N. S. Fraser had founded the steel company there a few years before; in fact, had founded the steel industry in Nova Scotia with his little forge. And when his salesman died, Jones was asked by Fraser to take over his work. On the first of January, 1894, Jones became a steel man. He was a steel man for sixteen years to the day when he became head of the Canada Cement Company.

Believes in Selling Experience

At the steel plant Jones was a salesman. He considers his salesmanship experience the most valuable of his possessions.

"I think experience in salesmanship is one of the finest things a man can have," Mr. Jones told me not long ago. "A salesman must become a close student of men. He must study his prospects, and in doing so he acquires a faculty of analysis that will be valuable to him in every line of work."

Jones was always a good salesman. He had the amiable spirit, the ability to approach and the approachability, and the background of knowledge that made fast friends among his clients. And having executive qualities that are indeed masterly he was —and is—a sales manager par excellence. When the Canada Cement Company salesmen are called in from the road for a conference it is always Jones who does the leading.

Plummer Seeks Him Out

From the Nova Scotia Steel and Forge, Jones wen to the Dominion Iron and Steel Company, and worked through the posts of salesman and general sales agent to the position of general manager. J. H. Plummer needed a man to run this company, and he picked Jones. Jones speeded up production, increased efficiency, solved labor troubles before they broke into serious strikes, and brought a measure of prosperity to the company

Frank P. Jones was almost an unknown quantity outside the narrow sphere of his associates at the steel company. Within a short period of time he was to achieve a measure of national prominence. A dispute arose between the steel company and the Dominion Coal Company, and this led to what was probably the most famous law suit in Canadian history. The dispute was over the quality of coal supplied by the Dominion Coal Company to the Dominion Iron and Steel Corporation, but before the dispute had run its course it developed into a struggle between interests that involved the big business leaders of the day, such as James Ross, J. H. Plummer, Sir William Van Horne, and Rodolph Forget. Eventually, the privy council decided the case after months of hearings and legal battles, and the steel company won out.

Jones on the Witness Stand

The stellar act in the giving of evidence was Frank P. Jones. For days he sat on the witness stand, cross-examined by the leading lawyers of the Dominion, who tried to worm from him some suggestion or admission that might weaken the steel company's case. But Jones knew his ground, and his evidence held through the whole legal battle. In 1909, when the Privy Council gave judgment, the steel company, under Jones, had won

Then came the merger era in Canada, when such men as Max Aitken and E. R. Wood were busy consolidating small companies into big organizations, and big organizations into giant fusions. One of the industries most successfully tackled by Aitken was the cement industry, which was indeed in a sorry plight. All over Canada there were struggling little cement companies, carrying on price wars that were too ruinous for their enfeebled treasuries. Canada is covered with rock formations that are suitable locations for cement plants and farmers, small capitalists, and ambitious business men, had built little cement plants at a great many of these locations. But they had overlooked the question of markets, and as a result, the country was built up with more cement plants than it needed. The weak ones were rapidly becoming weaker, and the strong ones were not particularly strong.

The Companies are Merged

Aitken got options on most of the cement plants of the country and proceeded to raise the money to re-finance them into one big organization, the Canada Cement Company He carried the job through to completion despite the vigorous protests of the daily press, who saw in the new combine an octopus that would raise cement prices sky-high.

What was needed was a big executive to run the company; he would have to be a great organizer, for the job of consolidating the plants would require mighty mental and physical energy; he would have to be a diplomat to sell the company to the public: in short, he would have to be just about the biggest business man in the country.

Aitken picked Jones for the job, although he had never met him. Jones had established himself through his handling of Dominion Iron and Steel

Aitken sent a telegram from Montreal down to Sydney. "Will you consider a proposition?" Jones wired back, briefly, "Yes, what is it?"

His Big Initial Salary

Aitken telegraphed to Jones that he wanted him to run the new Canada Cement Company, and asked him if he would accept the job. Jones was not particularly anxious to leave the successful Dominion Iron and Steel for the new cement merger. He decided to turn down the offer and telegraphed Aitken to that effect.

Aitken knew what he was after and determined to get it. He sent another telegram that read in effect "Name your terms."

Jones named his terms. He asked a salary that broke most salary records up to that time in Canada, and he got what he asked for. He had been getting $30,000 a year from the steel company. From the new Canada Cement Company he started at $50,000 a year, it is understood, and got in addition an option of several thousand shares of stock at $5 a share. That option was worth just about half a million, plus dividends to Mr. Jones, but the half million was largely the result of the building up of the cement company that was his work.

A Sensation of Business

The record of Mr. Jones' administration of the Canada Cement Company is one of the sensations of Canadian business history. He built the company so soundly that the common stock that was issued as a bonus is now worth around $90 a share. He turned the group of almost bankrupt companies into a prosperous organization. It would be fair to say that consumers of cement have benefited too, for prices of cement in Canada have been brought down under Frank Jones' administration of the Canada Cement Company. It was but following out Mr. Jones' code of business ethics that such should be the case He himself has said:

"Management has three first and outstanding duties; its duty to its customers and the public; its duty to employees, and its duty to the stockholders." The order in which Mr Jones places the three is significant although he adds: "These three duties do not in any way conflict."

His Views on Business

Along the same line, Mr. Jones states as three essentials to business success: Co-operation, Confidence and Mutual Benefit.

"No contract or agreement," says Mr. Jones, "whether it be an agreement with a customer or an agreement with an employee can be lasting and satisfactory unless it be mutually advantageous to both parties. If you cannot do business on this basis, it is better to let your competitor do it, and to turn your energies to some other field."

Mr. Jones started as general manager of the cement company, but, a couple of years ago, assumed the presidency as well.

When the war came, it was natural that a man of Frank Jones' abilities should be sought by the government for some important war-winning work, especially when the business of his own company had been seriously curtailed by the practical cessation of construction throughout the country In 1917 he went to Ottawa as vice-chairman of the war trade board. A minister was chairman, nominally, but Frank Jones was the working head Associated with the other members of the board, J. H. Gundy, C. B. McNaught, and J. W McConnell, he controlled Canada's imports and exports for the remainder of the war period, conserving those of our raw materials that were required for winning the war, and getting in from other countries the raw materials of victory that we did not have at home. So outstanding and valuable was his work here that Sir Robert Borden asked him to go with him to the peace conference as an unofficial advisor on the economic side of the peace, and Canada's after-war needs.

Frank P. Jones came into national prominence during the famous Steel-Coal dispute. Once more, in 1920, he went on the witness stand and proved himself incapable of being twisted up by any cross-examiners. This was when Sir Henry Drayton's tariff commission toured Canada to get the views of all classes in the country on the tariff. They came down to Montreal, and Frank P. Jones went to their meeting and told them what Canada needed in the way of a tariff. The only sound reasons for duties being imposed, Mr. Jones told the commission, were:

1. To provide a revenue to administer the affairs of the country.
2. To employ labor and develop the country.

More of His Tariff Views

That being so he did not see the fairness nor the necessity for the bulky schedules of duties and of free items that now constitutes the tariff of the country. He suggested that a fixed rate of tariff be set, sufficient to provide the country with the revenue it requires, and that this rate be charged on rate of every article entering the country. Mr. Jones' line of argument cannot be developed here But as soon as he had given the commission his ideas in his clear-cut conversational fashion, the commission started in to find the weaknesses in his scheme. For hours he was questioned and cross-questioned. When Sir Henry Drayton was through, Jones was still as cool and business-like as ever, and the commission had not proved him wrong.

Maybe some day Frank P. Jones will take a few months off and tell Canada how to climb out of its tariff quagmire. If he does, he will shock the politicians. Even now they tell him that he is right, dead right, but that his ideas are not good politics.

Other Jobs Offered Him

Frank Jones on another occasion demonstrated his ability to dig right through the externals to the heart of things. The Edwards interests put him into the Riordon Company after its fall from prosperity. He was to look after their interests, and they asked him to stay on the job until he could tell what the Riordon Company needed. He studied the proposition for a few months and then made his report. "The Riordon Company needs $8,000,000," he said, and then resigned.

Other jobs have sought him since.

(Continued on page 15)

PERSONAL

WILLIAM ANDREW WINDATT, who died recently in Winnipeg, was president of the Windatt Coal Co. and managing-director of Home Investment Co. He started his career as a clerk in the Ontario Bank at Bowmanville and later was in the banking and coal business in Moose Jaw, Port Arthur and Portage la Prairie. He was also in the employ of the Canadian Pacific at one time. In the early nineties he started in the coal business at Winnipeg. He suffered a breakdown a year ago and has been confined to his bed since May.

ARCHIBALD FRASER is the president of Fraser Companies, Limited, the pulp and lumber manufacturers of Edmundston, N.B., who brought out an excellent financial report a couple of weeks ago. Mr. Fraser is a pioneer in the Maritime lumber industry. He came out from Scotland as a lad and was a lumberman at fourteen. When he was twenty-one he entered into partnership with his father and a brother, and out of their small enterprise the present Fraser Companies have grown.

L. R. WILSON this week brought out his first annual report as general manager of the Abitibi Power and Paper Company. During the past year Mr. Wilson succeeded the late F. H. Anson as general manager of the company. Yet it is generally recognized that Mr. Wilson's promotion to the post of general manager involved little change in his duties or functions, for his authority in the operation of the company has been very broad for several years. Mr. Wilson came to the Abitibi Company from the Atlantic Sugar Company, which he helped to found and in which he was associated with Mr. Anson before the latter built the Abitibi Company.

INVESTORS' INQUIRIES

Questions of general interest submitted by subscribers of The Financial Post will be answered in this column, in which case only initials will be used. Other inquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

DURANT MOTORS

R. J. K., Ontario.—Will you advise me as to the value of Durant Motors stock, par value $10, bought at $12 and transferrable into Durant U. S. on 2½ to 1 basis. I am selling cars and am offered stock in part payment.

Durant Motors of Canada, class "B" stock, is evidently the one you refer to. It is traded in in unlisted security circles, in Toronto around $8 to $9. You could be fairly sure of a market for the present at around $8. It fluctuates considerable at times, so unless you make a quick deal and immediately market the stock, you had better check the price again.

MANITOBA POWER BONDS

H. M., New Brunswick.—Would like your opinion of Manitoba Power 7 per cent. bonds at par.

Manitoba Power Company is an organization which has been completing a large power development in Manitoba to serve the city of Winnipeg and other adjoining communities with power through a parent company, the Winnipeg Electric Railway. The company is starting off witth excellent prospects, with seasoned management, and the bonds may be regarded as a good type of power securities.

The directors are: Sir Augustus Nanton, president; A. W. McLimont vice-president: F. Morton Morse, G W. Allen, W. E. Bawlf, W. J. Bulman A. J. Nesbitt, Julian Smith, Samuel J. Fuller.

NORTH COLONIAL GOLD

C. W., Belleville.—I enclose literature of North Colonial Gold Mines. What is your opinion of this issue?

North Colonial Gold Mines are being promoted by some Montreal brokers. The property is a very old one and used to be the Elizabeth Gold Mines. It lay idle for a number of years, and the present company took it up and propose to work it, provided they get enough capital. The property has a chance, but we can't say we like some of the literature which you enclosed in your inquiry. We refer especially to the wonderful profits which they cite as being made by trading in mine stocks. One they refer to is Matachewan Gold Mining Company, which they say advanced 3,125 per cent. There is no such stock listed on any of the mining exchanges, and we know of no such company.

FOUR MINING ISSUES

Reader, Coniston.—Would you be good enough to give your opinion on the following:

5,000	Keora 14	5,000	Capital 30
1,000	Newray 41	3,000	West Tree 8

Keora has a deal pending with English people to finance development of two properties, gold in Porcupine and silver in South Lorrain. Capital has just started sinking. It will take a couple of months for them to make progress. This operation is in good hands and R. J. Enis, McIntyre's manager, who is consulting engineer on the Capitol, thinks it has a real chance. Newray is speculative. It has a good chance but you should remember though Goldale was more advanced than Newray, the Kerr Lake threw it up.

West Tree will hardly ever be better than it is to-day, certainly never on its merits. It must reorganize.

LYALL CONSTRUCTION

R. F., Vancouver.—Could you advise purchase of a few Lyall Construction at present price? What are the prospects?

Prospects are moderately favorable for the Lyall Construction Co. The company has substantial orders on hand that will keep it running for three or three and a half years, and by that time should have booked further contracts to employ its rather large organization. The stock has been selling at a very low price, reflecting to some degree the shortage of working capital, and the enforced marketing of shares that had been held in estate.

The purchase of the stock at the present time must be considered as a speculation, but viewed in that light has interesting possibilities.

The directors are: William Lyall president; T. O. Lyall, vice-president: J. N. Greenshields, K. C.; H. W. Beauclerk, H. M. Scott, Jas. Ballantyne, Robert Whyte.

DULUTH-SUPERIOR

D. R. B., Hamilton.—I hold 15 shares of Duluth Superior common, purchased around $2. Sometime ago you carried some favorable reports on the company's position. Has there been any change?

The last twelve months' income of Duluth-Superior shows an increase of $123,100. Both income and operating expenses show a material advance, as does also the net profit. The last quarter of the income period showed a material decline. The company pays 2 per cent., and at the price of $42 the return to you is somewhere around 5 per cent. We understand that the earnings run between 3 and 4 per cent. on the common stock There has been considerable disappointment owing to the showing of this stock. The company has a good proposition, and its rolling stock and equipment are in very excellent shape The best opinion seems to be that the stock has had its decline, and the next move it makes should be upward. However, the point is made that the future is not without its difficulties

CANADA STEAMSHIP BONDS

H. M., New Brunswick.—Would you be kind enough to give me your opinion of Canada Steamship 7 per cent. 1924 bonds at 96½?

Despite the operating and financial difficulties of Canada Steamship Lines during the past few years it is doubtful if the essential security behind the bonds of the corporation has been seriously impaired. The bonds are secured by assets that are not only in themselves important, but which have a substantial earning power under good management and operating conditions, and the 7 per cent. issue maturing in 1942 that is available at three or four points under par offers a fair opportunity for the purchase of corporation bonds.

The directors are: W. H Coverdale, president; J. W. Norcross vice president; Robt. Hobson, H. B. Smith D. B. Hanna, Hon. J. P. B. Casgrain Geo. H. Smithers, Sir Henry Worth Thornton, A. J. Brown K.C., F. W Molson, Geo. Caverhill, Hon. Smeaton White, J. H. Fortier, C. E. Taschereau F. J. Humphrey.

ACADIA SUGAR POSITION

Investor, Toronto.—I am interested in Acadia Sugar shares. Would you be so good as to give a short statement as to their affairs and outlook?

The sales and profits of the Acadia Sugar Company were larger in 1923 than in the previous year, and considerable progress was made. Bank loans are still quite heavy, but it is unlikely that any attempt will be made to refinance these by the sale of second mortgage bonds, which were authorized by the shareholders about a year and a half ago, and which are hypothecated with the company's bankers as security for loans. At the present time control of the company is divided between a group of Halifax business men and the banking interests in New York, who originally underwrote the first mortgage bond issue. It is understood that an attempt is being made by the Canadian interests to acquire a fuller measure of control of the company It is unlikely that the annual financial statement for the year ending December 31, 1923, will be published until the question of control has been more accurately determined.

KING EDWARD HOTEL

Investor, Deseronto.—Would appreciate any information you can give re King Edward Hotel 1923 earnings. Reports are that they were 30 per cent. up in the summer and in the fall, $1,000 per day better. I am interested in their ability to pay full rental to King Edward Construction.

King Edward Hotel has not issued its report on 1923 earnings and reports are that they are unlikely to do so until such time as they make some progress in the deal with the construction company. These reports of earnings have been rumored about but no official statement has been given out. As to the rental to King Edward Construction, this has always been paid, as you are doubtless aware, having received your dividends on Construction Co. stock, which dividends, are, as you say, dependent on the payment of that rental, in fact they fix the rental. It is generally thought that the hotel has done well. No report of progress on the deal with the Construction Co. has been received. The progress made seems to have been slight. United Hotels, operators, have guaranteed the rental.

C. N. R. INCOME BONDS

Business Man, Kitchener.—As a subscriber may I ask you to give me your opinion regarding the Canadian Northern Railway 5 per cent. income charge debenture stock as an investment? This stock can be bought, I understand, at $570 per $1,000 and matures in May, 1930. I know that the government is not absolutely guaranteeing the payment but is morally bound to pay this. The investment would bring a good return if payment could be relied upon.

The Canadian Northern Railway income debentures mature in 1930, and as that date approaches, the feeling grows that the principal on these will be met by the Dominion government. As the bonds are secured by a mortgage on railway property which is now part of the National system, the government will probably pay the principal when due. This, of course, presumes that the ownership of the railway will remain with the government. Should it be sold to a private company, the latter and not the government will be responsible. These bonds have been purchased by many shrewd investors during the past two or three years. In the meantime, of course, there is little probability of any interest being paid.

GOODYEAR PREFERRED

J. D., Windsor.—Will you give me information on Goodyear Tire pref.? Do you consider it a good investment? Is there any reason it should not reach par?

Goodyear Tire 7 per cent. preferred is a speculative investment of the better class. At the present time it is 8¾ per cent. in arrears of dividends. These are gradually being cleaned up and at the same time the company is paying present dividends. You ask if there is any reason why the stock should not reach par. You must remember that competition in the tire industry is decidedly keen. Goodyear Tire and Rubber Company has shown its ability to hold its own with its competitors. It has reduced its costs and has developed a very excellent export trade. Back in 1921, when the company had to slaughter its inventory, the stock broke down to somewhere in the neighborhood of $50 a share. That was prior to its listing on the stock exchange. It was listed in the middle of 1922, and for the balance of the year ranged from 82 to 89. Last year the stock sold up 96 broke to 75 and closed the year at 81 Since the opening of the present year at 81 the stock has averaged from 79 to 81.

CANADA NATIONAL FIRE

Banker, British Columbia.—Kindly give us any information you can regarding the Canada National Fire Insurance Co., and oblige.

According to the report of the superintendent for insurance for 1922 the net admitted assets of the Canada National Fire Insurance Company were $2,747,687. While there are some items under this head which will no doubt have to be written down it represents a substantial security to policyholders. During 1922, the total premiums written in Canada were $361,929, and the net premiums after deducting the reinsurance were $193,228. For the same year the gross losses in Canada amounted to $177,641, and the net after allowing for reinsurance was $95,267. From these figures you will see that the percentage of losses to premiums written was 49.35 per cent. In view of the present heavy losses of fire insurance companies, in general, this loss ratio is low and indicates carefulness in the selection of risks. The company is licensed by the Dominion department of insurance, and maintains a deposit with that department. Its business appears to be well managed, and it should be satisfactory to insure with. The company is controlled by a group of men who also control the Great West Permanent Loan Company and other financial companies. The Canadian National Fire Insurance Company holds some of the Great West permanent stock, and a reorganization of the latter, which is mooted at times, might involve the insurance company.

MERCHANTS CASUALTY

Reader, Montreal. — I am a policy holder in the Merchants Casualty Co. In Dec., 1922, they were selling shares (capital stock) to policyholders only, according to their agent, for $125 a share, same valued by the Government at $135. I took six shares for which I paid $750. When I received them I found par value of same to be only $50. What I would like to know is, can I make them return my money as their agent promised faithfully that I would receive dividend last year. So far I have not had one cent. The agent has falsely represented the company to me. What would you advise me to do and could you please give me any information as to the value of their shares to-day? I never see anything of their business in THE FINANCIAL POST.

The Merchants Casualty Company was one of a group of insurance companies controlled by the Zenith Company at the time you purchased the stock. Following the failure of the Union Fire and Casualty Company, one of the group, the Zenith Company went into liquidation. The failure of the Union Fire Co. involved the affairs of the Merchants Casualty. The final result was that control of the Merchants Casualty Company was purchased by a group of business men in Waterloo, Ontario. The company's head office was moved to Waterloo and the business now appears to be progressing favorably. The future dividends to be paid on the stock will depend largely on the success in building up the business.

We would suggest that you write E. F. Seagram, the president, at Waterloo, regarding the situation of your stock. If you feel that definite misrepresentation occurred in the sale of the stock to you, you might consult a lawyer, as any redress is chiefly a legal matter.

CURRENT OPINION

FIVE-CENT APPLES

(The Farmer's Advocate)

Practically every year thousands of barrels of apples go to waste in Ontario because the price at which they would sell does not seem to encourage the proper packing and merchandising methods. It cannot be truthfully said that there is no market for apples. There is a market for more good apples than are grown in Ontario, but there is not a market for windfalls or scabby, wormy fruit.

Right now apples are selling for five cents apiece in London, Ontario, and at three for a quarter in the City of Toronto. This is not the ordinary tree-run, unsprayed stuff such as usually rots on the ground in Ontario and Quebec. It is fruit that has been grown on well-pruned, thoroughly-sprayed trees, and then carefully packed in boxes so as to open up attractively in the city stores.

There are districts in Canada and countries outside of this Dominion where a commercial sort of cooking apple can be grown more economically, perhaps, than in Ontario and Quebec; but in these central provinces conditions are such that fruit growers can produce a dessert apple unexcelled anywhere in the world. There is no over-production of this class of apple, and so far those who have undertaken to grow dessert apples and pack them properly have had no trouble in marketing them. Small growers are often heard to remark that there is over-production of fruit and vegetables, yet the larger and more progressive growers constantly affirm that there is a good market, and that the demand for choice goods is not yet supplied. The grower who produces five-cent apples will always be able to sell them.

WHERE IS THERE "A BETTER 'OLE"

(Grand Valley Star and Vidette)

Is there a place in the world to-day as well off as Canada? Canadians may do a certain amount of grumbling, but there is not a country, not even the United States, where conditions generally are good, where there is as little unemployment or as much general prosperity as in our dominion.

The reason is not hard to seek. Canada has the greatest potential natural resources in the world and her production is rapidly increasing. She has what the world needs.

THE FINANCIAL POST has been making a preliminary survey of the production of the Dominion for the year and estimates that our revenue will be the largest of any normal year in our history. THE POST places the revenue at $250,000,000 more than last year, and after making allowances for the present higher range of values over $500,000,000 in excess of the pre-war year, 1913.

THE POST, for instance, figures on a survey made on Sept. 30, that the total value of the products of the farm for 1923 will be $1,702,226,000, as against $1,626,028,000 in 1922 and $1,051,612,000 in 1921. Revenue from minerals is placed at $236,611,000; paper, pulp, wood and timber $443,570,000 and fish $38,000,000, a total of $2,420,407,000 as against $2,168,125,000 in 1922 and $1,407,754,000 in 1921.

The increased production is reflected in our export trade. Exports for the nine months of the year show an increase of over $204,000,000 over the same period of 1922. In the same period our exports exceed our imports by over $94,000,000. Canada now stands in fifth place in the exporting countries in the world for foreign trade. THE POST figures that Canada exports three times as much per head than the United States and one-third more than the Mother-land.

Will someone please show us "a better 'ole" than Canada?

Ups and Downs of Augustine Engine

M. W., Ottawa.—In THE FINANCIAL POST of Feb. 1, 1924, you had an item on "The Augustine Rotary Engine Co., of Buffalo, in the courts."

Would you be so kind as to let me know if the affairs of the above named company have yet been opened before the Federal Grand Jury? If so with what results? On what in such a company are the Federal taxes levied? To what other taxes is this company subject? At what times of the year are each of such taxes due, please?

In your estimation, what are the probabilities of this company's stock ever becoming a paying proposition? Have you ever heard of anything of the Canadian branch of this company?

The Augustine Automatic Rotary Engine Company has not a good reputation in Buffalo. It is somewhat remarkable, however, in that it has lived as a stock-selling proposition for so many years. Buffalo people can remember it fifteen years ago The Buffalo Better Business Commission, an organization that has done some good, has been attacking Augustine and his companies, (among which is the Champion Rotary Motors Company) for some time, but has not yet forced them out of business. Various engineers have admitted possibilities in the rotary engine, both gas and steam. We are unable to say whether there is some defect which makes it impracticable to produce them in marketable quantities, or whether the company has been devoting itself to stock-peddling rather than to earnest effort at manufacturing. To reply to your questions:

Augustine once was indicted for seditious utterances during the war, but never was brought to trial. The affairs of the company have never been before the Federal grand jury, although post office inspectors have been, and are now, inquiring as to their use of the mails.

United States Federal taxes are levied on a corporation's profits to the extent of 12½ per cent. There is also a capital stock tax. The parent company was, on January 14, $2,936 in arrears on this tax. The Federal government filed a lien against their "factory" on Elmwood Avenue. We understand that the case has been settled out of court. The company is liable to the state corporation tax and city taxes on real property.

Federal taxes are due on March 15 if return is for calendar year, or two and a half months after close of corporation's fiscal year. State taxes a month later. City taxes are due in two instalments, in October and December. There also is a small country tax collected at the end of the year.

H. C. Babel, a man who has promoted several companies, some of them successful to a certain extent got a license from Augustine to manufacture the rotary engines in Canada. Babel's Canadian company bought through the Canadian bankruptcy court the disused planing mill at Fort Erie. The Canadian factory has never been operated. Augustine and Babel did not get along, and Babel's license was cancelled. The reason given was non-fulfillment of contract. Augustine was to get a horsepower-royalty on engines manufactured. As none were made, no royalties were paid.

Augustine first came into the limelight about 1913, when he was going to start a factory in Bridgeburg. Then it was for Erie, then Grimsby, then other towns. He would go into a town take an option on a factory or site promise the townspeople, suffering from a civic-pride complex, that he would start a factory but needed more capital. He would tell them that theirs was a wonderful town for manufacturers, and his company would start it toward industrial prosperity. A good deal of capital was raised in this way.

Warning Against Ore Chimney Mines

Better Business Commission of Buffalo has issued a warning in regard to the sale of shares in Ore Chimney Mines. It claims to have found some of the stock being sold at $2. THE POST has advised its readers against this proposition, which has been selling stock for many years.

The Buffalo Evening News reports the warning of the Buffalo commission as follows:

Promoters of the Ore Chimney Mines Company of Canada, are actively selling stock in and near Franklinville, the Better Business Commission announced it was informed to-day. A minister, the Rev. J. F. Iulg, of the Free Methodist church, is the company's representative in that vicinity. His sales are said to have totaled $15,000.

The commission on December 19, 1923, issued a bulletin, calling attention to this promotion, which had its headquarters at 700 Main Street. The bulletin pointed out that S. A. Fletcher, one of the promoters, was named in an action in Waterloo county, Ontario, it being claimed that stock in the company sold there by him was falsely and fradulently represented.

Stock in the company, which has a nominal value of 40 cents, is selling for from 22 to 27 cents, according to the commission. When the commission made its investigation of the company it claims to have found a Buffalo brokerage house selling the stock for $2 a share.

Two Buffalo newspapers which had carried the name of the mining company in their lists of securities, to-day agreed to discontinue this practice, the commission said.

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City of Toronto	5%	1932	5.15%
City of Galt	5½% and 6%	1925-42	5.20%
Town of Walkerville	5½%	1927-42	5.30%

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Wm. A. Rogers, Limited

Report of the Directors to the Shareholders for the Year Ended December 31, 1923.

The Directors present to the Shareholders their Twenty-third Annual Report with accompanying statement of Assets and Liabilities as at December 31st, 1923:

Profit and Loss Balance brought forward from 1922	$107,367.03	
Profits for the year	380,381.00	
		$487,748.03
The Appropriations were as follows:		
Transferred to Realty and Plant Reserve	$112,124.45	
Transferred to Reserve for Federal Taxes	46,744.86	
Dividends on Preference Stock for current year at the rate of 7% per annum	78,596.00	
Payment to Canadian Wm. A. Rogers, Limited, re Dividend Guarantee	35,000.00	
		272,465.31
Balance forward to 1924		$215,282.72

Business was active throughout the year in all departments of the Company.

A Reserve for Taxes of $50,000 has been provided by the appropriation of $46,744.86 from Profit and Loss, and $3,255.14 received as a rebate of Income taxes paid for the year 1917. Federal Income tax on the year's profits will require approximately $33,000 of this amount and $17,000 will remain as a contingent reserve against any additional assessment which may be made on previous years' profits when these have been audited by the tax authorities.

The Directors expect to make quarterly payments on account of arrears of dividends upon the Preference Shares. These amount to seven per cent. and it is hoped that they may be paid in full during the ensuing year.

It is probable that this Company will be called upon to make a final payment under the agreement with Canadian Wm. A. Rogers, Limited, which will terminate on April 1st, 1924.

The prospects for 1924 appear to be good.

By order of the Board,
S. J. MOORE, President.

Statement of Assets and Liabilities, December, 31, 1923

ASSETS

Real Estate and Buildings		$ 520,852.36	
Property Purchased for Employees	$22,974.33		
Less Mortgages Thereon	9,034.85		
		13,939.48	
Plant, Machinery and Equipment		918,564.61	
Investments in Other Companies		160,501.00	
Trademarks and Goodwill		850,000.00	
			$2,463,857.45
Prepaid Expense		45,003.00	
Discount on Securities Sold		13,023.23	
			58,026.23
Merchandise		1,649,363.06	
Accounts and Bills Receivable		590,187.53	
Cash at Bankers and in Hand		187,656.76	
			2,427,207.35
			$4,949,091.03

LIABILITIES

Capital Stock Issued:			
Preference Stock	$1,122,800.00		
Ordinary Stock	1,500,000.00		
		$2,622,800.00	
Six Per Cent. Serial Bonds Outstanding		385,000.00	
			$3,007,800.00
Dividends on Preference Stock, payable Jan. 2, 1924		$ 19,649.00	
Accounts and Bills Payable		644,160.22	
Accrued Interest on Bonds		9,625.00	
			673,434.22
Reserve for Federal Taxes		$ 50,000.00	
Realty and Plant Reserve		652,574.09	
Reserve Account		350,000.00	
Profit and Loss Account		215,282.72	
			1,267,856.81
			$4,949,091.03

At the Twenty-third Annual Meeting of Shareholders, held on March 12, 1924, the President, Mr. S. J. Moore, reviewed at length the Company's operations of the past year.

The Board of Directors was re-elected as follows: Messrs. S. J. Moore, W. D. Ross, C. W. Colby, Ph.D., Hon. H. S. Duell, A. E. Ames, R. E. Sage and E. G. Baker.

The officers were re-elected as follows: S. J. Moore, President; W. D. Ross, Vice-President; R. E. Sage, General Manager; E. G. Baker, Secretary, and W. N. McLeod, Assistant Secretary.

NEWS AND VIEWS ABOUT BONDS

SEVERAL CITIES ASK FOR TENDERS ON BOND ISSUES

Floating Supplies of Bonds Are Being Gradually Absorbed

Some indications of a resumption of activity in the bond market are seen in the action of several municipalities in calling for tenders on substantial blocks of bonds. Many feel that the large investors are likely to be in the market shortly as little buying has been indulged in since the brisk market of January. Outside of the balances of issues recently floated, dealers complain that good sized blocks of bonds are not easy to obtain at satisfactory prices. On the other hand odd lots have been offered at lower prices than those prevailing formerly.

While trading has been dull several issues of Dominion bonds have shown some strength, small advances being in evidence in some cases. On the other hand the tax exempt issues have been weak and prices have receded slightly. The possibility of reduced income taxes, especially in the case of higher incomes, has had a tendency to weaken buying pressure in these issues.

St. John Changes Rate

The city of St. John, which announced recently that it would issue $739,000 of 5 per cent. bonds, has decided to make the rate on the bonds 5¼ per cent. They will include $426,000 of 20-year bonds, $8,000 of 5-year bonds, $9,000 to mature in 30 years and $99,000 in 40 years.

St. Lambert Rejects Tenders

St. Lambert has rejected all tenders on an issue of $350,000 of five and one-half per cent. debentures, maturing November 1, 1952.

Sherbrooke Awards Bonds

The city of Sherbrooke has awarded an issue of $210,000 of eleven-year five per cent. bonds to McLeod, Young, Weir & Company at 95.73. The proceeds are to be used for paving. The bids received were:

McLeod, Young, Weir & Co.	95.73
Bell, Gouinlock	95.63
Wood, Gundy & Co.	95.60
Dominion Securities Corp.	95.53
Murray & Co.	95.31
Rene T. Leclerc	95.26
C. H. Burgess & Co.	94.62
A. E. Ames & Co.	94.567
W. A. Mackenzie & Co.	94.527
Versailles, Vidricaire & Boulais	94.35

Offer Two Issues

S. W. Straus & Company are offering an issue of $775,000 first mortgage 6½ per cent. serial bonds of the South Broadway Building, Los Angeles. The same firm has purchased $450,000 of first mortgage 6½ per cent. serial bonds of the Stuart Court Realty Corporation of Richmond, Va.

Buy Carleton Issue

Matthews & Co. were awarded two issues of Carleton County bonds at 101.077. They consisted of $181,500 of 5½ per cent. twenty-instalment bonds, and $100,000 of 5½ per cent five-instalment bonds. The bids were:

Matthews & Co.	101.077
Housser, Wood & Co.	101.
Dominion Securities Corp.	100.789
Bird Harris & Co.	100.784
A. Jarvis & Co.	100.769
Wood, Gundy & Co.	100.69
McLeod, Young, Weir & Co.	100.58
C. H. Burgess & Co.	100.54
Dyment, Anderson & Co.	100.408
Gairdner, Clark & Co.	100.37
Bain, Snowball & Co.	100.345
Nesbitt, Thomson & Co.	100.277
xStewart, Scully & Co.	100.27
A. E. Ames & Co.	100.09
MacNeill, Graham & Co.	100.03
R. A. Daly & Co.	99.81

x For 20-year bonds only.

$5,000,000 Carbon Black Plant Near Medicine Hat

Sarnia Oil and Gas Co. is to spend $5,000,000 developing carbon black and gasoline extracting plants in Many Island Lake district near Medicine Hat, Alta. English interests are the chief backers, says Lethbridge Herald. The Sarnia concern has acquired gas royalties on 14,000 acres of land in the Many Island Lake field. These contracts were secured from the Canadian-American Oil and Gas Company, and Medicine Hat Development Co.

LARGE NUMBER OF FIRMS SHARED SALES OF TAX FREE BONDS

(Continued from page 1)

G. M. Hart	155,750
F. H. Deacon & Co.	138,500
Aemilius Jarvis & Co.	60,500
A. E. Ames & Co.	34,750
W. A. Mackenzie & Co.	34,000
R. C. Matthews & Co.	28,000
Toronto General Trusts Corp.	25,000
MacNeill, Graham & Co.	22,750
Jas. E. Day	5,000
Bank of Montreal	4,500
Harris, Forbes & Co.	4,000
R. A. Daly & Co.	3,000
O. Fox	1,500
Nsebitt, Thomson & Co.	1,000
McDonagh, Somers & Co.	200
D. W. Sabin	100

All sterling bonds figured at $5 per £.

As pointed out in THE FINANCIAL POST, there is little evidence of favoritism. It may be noticed that the Provincial Securities Corporation, of which more information is sought, was not by any means the largest seller. However, the total of $505,250 purchased from this firm would seem a large amount from a house which is not recognized as a regular dealer in securities. The identity of those behind the firm should be made known, and especially of the mysterious Charles Snyder, who signed the letters of the firm.

Oppose Municipal Tax On Autos at Calgary

From Our Own Correspondent.

Calgary.—A loud outcry is being raised in Calgary against the proposal to impose a municipal tax on automobiles ranging from $5 to $15. The matter is being handled by the Calgary Auto Club, which has done much to attract tourists to the province. It has put on a concerted drive in circulating petitions protesting against this additional tax, and this is reported to be meeting with the utmost success.

Interesting Bond Issues

Dominion Iron Bonds Yield 8.25%

From Our Own Correspondent.

MONTREAL.—An underlying bond of the largest industrial organization in Canada, offered at a price to yield nearly 8¼ per cent; this is the interesting feature of the 5 per cent. consolidated mortgage bonds of the Dominion Iron and Steel Corporation due 1939, which can now be purchased at about 72.

Dominion Iron and Steel Corporation is that unit in the British Empire Steel Corporation structure that owns the big steel plans at Sydney and the iron ore mines at Wabana, Newfoundland. While its earnings are not now shown separately, both assets and earnings behind this bond issue may be assumed to have been satisfactory for many years back. For the ten years from 1912 to 1921 the Dominion Steel Corporation, of which D. I. and S. is a constituent part, earned more than five times interest charges after deductions of prior charges. The British Empire Steel Corporation in 1922 showed a balance for bond interest after sinking depreciation and reserves of $3,290,000, against $1,680,000 interest on all the bond issues of the corporation and in 1923 showed earnings on a similar basis of $4,360,000 available for interest charges of $1,910,000.

This indicates that interest on all British Empire Steel bonds is being earned by a substantial margin.

General Low Tone of Besco Issues

It would seem then that the reason these bonds are selling at such a low price is to be found in the same lack of confidence on the part of any of the Besco securities that permeates the investment atmosphere at the present time. Many investors feel that Besco has not yet gotten off on the right foot; that it is floundering to some extent; groping for the management, the financial structure, the extensions and improvements, and the new policies all around that are widely regarded as necessary preliminaries of ultimate success. Add to this the fact that most of these bonds are held in England, and have been rather freely offered during the past few years, when exchange rates have been as they have been, and the low price is the more easily explained.

Original Offering Price

These bonds were originally offered in 1909 at 93, and were sold simultaneously in London and Canada. In 1922 a further issue of the same bonds was made in New York at 88 but provision was made that the bonds of the New York series should be payable in New York funds. The other bonds of the issue are payable in London or Canada.

The only charge ahead of this issue is the issue of something under $6,000,000 of first mortgage bonds, due 1929. Of the consolidated mortgage bonds, under $12,000,000 are outstanding. Junior to the issue is preferred stock on which dividends are being paid.

Subject to the first mortgage bonds, the issue is a first charge on all the properties of the corporation including 650 acres of land at Sydney on which is located a complete iron and steel plant with a capacity of 400,000 tons of finished steel per annum, and also upon the extensive iron ore deposits of the corporation at Wabana, Newfoundland.

The bonds are dated June 25, 1909 and mature on September 1, 1939 Principal and interest is payable at Montreal or London. Interest dates are March 1 and September 1. The bond is callable at 105. Denominations are $1,000 or £100. £200 and £500. The bonds can be bought from any Canadian investment dealer, and are now being actively traded in on the unlisted bond section of the Montreal Stock Exchange.

Around present prices the bonds offer a high-yield, slightly-speculative bond investment of decidedly interesting possibilities, and are rated by many financial analysts on a much higher level than the present price might suggest.

TELFER BISCUIT HAS TROUBLE WITH BANK

Telfer Biscuit Co., Toronto, because of pressure from the bank for a loan, has passed into the hands of an interim receiver. This is the explanation given THE FINANCIAL POST by the officers of the company, who express the opinion that they will be able to carry on. The company was organized in Collingwood about 50 years ago, and located in Toronto 10 years ago. There are 150 shareholders, mostly in Ontario, holding the $341,000 preferred and $68,000 common stock. The auditors' report for the year ending Dec. 31, 1923, shows current assets $355,826, fixed assets $517,158. Current liabilities, $275,000 mostly made up of the bank loan; fixed liabilities, mortgage, $49,000 and the capital stock. The company states that the bank is the only creditor that has been pressing them, and that they have reduced the bank loan materially of late. Frank F. Telfer is president, Herbert A. Telfer, manager, and A. H. Cuttle, secretary-treasurer. Clarkson and Sons are acting as receivers.

Grand Mere Discovers $60,000 of Lost Bonds

Sixty thousand dollars' worth of bonds of the city of Grand'Mère, signed regularly by the mayor and secretary-treasurer in office at the time the bonds were issued some four or five years ago, were discovered in the vaults of the Banque Nationale and, being an issue the authorization for which had been withdrawn, were promptly destroyed. The bonds were discovered in the process of taking an inventory of the securities in the vault for purposes of the merger with the Banque d'Hochelaga.

The bonds were prepared for issue some time prior to 1919 but it was found that the price which was likely to be received for them was very low so they were pledged for a current loan with the Banque Nationale When the $165,000 was negotiated. the by-law authorizing these long lost bonds was repealed and the loan made on them incorporated in the $165,000

The bonds languished in the vaults of the bank, as nobody had the forethought to go and take them away from the Banque Nationale. They have remained there to this day. when they were destroyed. Had they by any chance fallen into the hands of dishonest persons they might have made the city serious trouble, as they were duly signed by the mayor and secretary-treasurer, and constituted a legal obligation on the city.

UNLISTED BONDS
(Montreal Stock Exchange)

	Bid	Asked
Abitibi 6% 1940	..	96¾
Alabama 5% 1962	68¾	..
Algoma Steel 5% 1962	..	35
Ames Holden 6% 1947	42½	..
Belding 5% 1936	86	..
Brandram-Henderson 6% 1939	90	..
Belgo Can. Paper 6% 1943	..	96½
Brompton 8% 1941	108	110
Brompton 6% 1939	..	..
Burns, P. & Co. 6½% 1943	98½	100
Bay Sulphite 6½% 1943	..	..
Calgary Brewing 5% 1942	76	79
Can. Steamship Lines 7% 1942	95	..
Can. Light & Power 5% 1949	73½	75
Consumers Glass 6% 1935	85½	88
Can. Nor. Rly. Income 5% 1930	50½	52¾
Can. Steel Foundries 6% 1936	98½	..
Can. Car (Scrip) 6% 1927	..	..
Dom. Iron 5% 1939	70	..
Davies, Wm. 6% 1942	..	84¾
Dom. Power 5% 1932	91	..
Dom. Textile 6% 1949	102½	..
East Koot. Power 7% 1942	97½	..
Fraser Co. 8% 1941	104½	105½
Frontenac Brewery 6% 1951	87	88
G.T.P. 4% 1955	72½	..
G.T.P. Sup. 4% 1955	74½	..
Holt, Renfrew 5½% 1937	..	96
H. Smith Paper 7% 1941	97½	98¾
H. Smith Paper 6% 1934	99¾	..
Lake Sup. Paper 6% 1941	104¾	105½
Laurentide Pow. 5% 1946	97	98¾
Laurentide Pow. 6% 1936	95½	98
Maple Leaf Milling 6½% 1943	99¾	101
Maisonneuve 5% 1954	..	..
Man. Power 7% 1941	100	100½
Mattagami 6% 1937	60	..
Mattagami Deb. 7% 1949	..	24
Montreal Tram. 6½% 1924	..	..
Montreal Pub. Ser. 5% 1942	..	..
Montreal Pub. Ser. 6½% 1924	99	100¾
Montreal Steel Works 6% 1940	99	..
Montreal W. & P. 4½% 1932	..	..
Montreal W. & P. 5% 1932	..	..
Nor. Ont. Power 6% 1931	91½	92¾
N.S. Steel 6% Deb.	..	73½
Ottawa Gas 6% 1939	100	..
Ottawa Gas 5% 1934	..	99
Ontario Pulp 6% 1931	103	..
Price Bros. 6% 1943	99¾	100¾
Paton Mfg. Co. 6% 1953	93	..
Provincial Paper 6% 1940	..	100
Porto Rico Rly 5% 1962	..	66
Quebec Power 6% 1953	95½	95¼
Quebec Jacques 5% 1931	82¾	90
Shaw. Cotton 6% 1949	..	81
Shawinigan 5% 1934	102	..
Shawinigan 5½% 1950	102	..
Shawinigan 6% 1950	103½	..
South Canada Power 6% 1948	100½	..
Spanish River 8% 1941	106	106¾
St. Maurice Power 6½% 1953	105	..
Toronto Power 5% 1924	99¼	100
Wabasso Cotton 7% 1942	97½	..
Windsor Hotel 6½% 1943	..	..
West. Koot. Power 6% 1943	99¼	..
West. Power 5% 1949	87	..
West. Power 7% 1926	98	..
West Quebec Pow. 6½% 1931	68	..
Winn. Elec. 6% 1943	91	92
Chicoutimi Pulp 6% 1943	55	..
Montreal L. H. & Pr. 5% 1933	96½	..

TORONTO CURB QUOTATIONS

	Bid	Asked
Abitibi Gen. Mortgage 6% 1940	95	97
Amer. Sales Book 6% 1927	98	..
Ashdown Hardware 5% 1928	94	..
P. Burns Co. 6½% 1943	98	100
Can. Machinery 6% 1940	70	75
Pedlar People 8% 1934	100	..
Whalen Pulp 6% Ser.	55	62
Whalen Pulp 7% Deb.	15	18

BOND MOVEMENTS OF THE WEEK

Week Ending March 11.

BONDS	Int. Rate	Due Year	Yield	Range 1923 High	Range 1923 Low	Range 1924 High	Range 1924 Low	Latest Price Ask	Latest Price Bid	High	Low
Bell Telephone	5	1925	5.18	101	97¾	100½	99¼	99¾	99½	99¾	—
Can. Bread	6	1941	5.91	100	96	101	99	—	100¾	101	—
Can. Cement	6	1929	5.45	103½	100	103½	100½	102	—	102¾	102
Cedar Rapids	5	1953	5.06	98½	93	99	95	100½	99	99	—
Can. Steamship deb.	5	1943	7.63	81¾	75	74	70½	—	74	73¼	73
Cons. Rubber	6	1946	6.22	102¾	98¾	99	97	—	97	97¼	97
Dom. Textile (A)	6	1925	6.00	100⅞	99¾	101⅛	100	—	100	100	—
Montreal Trams.	5	1941	5.71	92⅝	87½	92	91¼	91⅞	—	92	91¾
N. S. Steel	5	1959	6.24	92	84⅝	84½	82¼	82¼	—	82¼	—
North Electric	5	1939	5.62	—	—	93⅜	93⅜	93⅜	—	93⅜	—
Quebec Rly.	5	1939	6.87	83½	68	83	80	82¼	81¾	82	81¾
Steel of Can.	6	1940	5.85	102½	99	102	100½	—	101	101½	—
Wayagamack	6	1951	7.97	86¾	75	80¾	78¼	80	79	79	—
War Loan	5	1925	4.60	100.95	99.10	101.15	100.15	101.00	100.90	100.85	100.80
Do.	5	1931	4.77	101.80	99.80	101.90	100.15	101.25	101.15	101.40	101.00
Do.	5	1937	4.70	103.30	102.00	103.30	102.50	103.00	102.90	103.00	102.90
Victory Loan	5½	1924	4.98	101.65	99.80	100.90	100.20	100.70	100.60	100.80	100.50
Do.	5½	1927	4.73	103.50	101.60	103.15	102.15	103.00	102.90	103.00	102.80
Do.	5½	1933	4.86	106.70	104.15	106.65	104.95	105.25	105.15	105.20	105.00
Do.	5½	1934	5.19	103.90	101.30	103.30	102.20	102.65	102.55	102.80	102.55
Do.	5½	1937	4.76	108.45	106.25	108.17	107.35	107.50	107.40	107.70	107.35
Do., Renewal	5½	1927	5.01	102.80	100.75	101.80	101.00	101.90	101.75	101.75	101.50
Do., Renewal	5½	1932	5.21	103.15	100.80	102.50	101.35	102.30	102.20	102.30	102.00
Do., Refund	5	1928	5.00	99.70	98.80	100.50	99.40	——	100.20	100.10	100.00
Do., Refund	5	1943	5.00	99.25	97.90	100.30	99.00	99.95	99.85	100.00	99.80

Preferred Stocks

In addition to a high income, some of these stocks also offer the probability of advance in price.

We recommend certain shares which are now selling below their comparative value.

F. H. Deacon & Co.
Members Toronto Stock Exchange
INVESTMENTS
227 Bay St. Toronto
70

New Issue:

Montreal Tramways & Power Company, Limited
6% Bonds
due 1st March, 1929,
Price: 99½ and interest.
Yielding 6⅛%

Send your old bonds to us for exchange into the new issue.

Matthews & Company Ltd.
Bond Dealers,
Toronto General Trusts Building,
255 Bay Street - Toronto

Dickinson & Walbank
Members Montreal Stock Exchange
152 St. James Street, Montreal
Branch Offices:
Sorel, Que. Belleville, Ont.
T. Kelly Dickinson, J. Y. K. Walbank,
W. McLea Walbank

McDonagh Somers & Co.
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FOUNDED HB 1883

6%
Five-Year Gold Bonds
of the
MONTREAL TRAMWAYS AND POWER CO., Limited
Dated March 1, 1924. Due March 1, 1929
Payable, Principal and Interest in Canada or New York
Denominations of $1000, $500, and $100.

Revenue substantially in excess of the amount required to pay interest on these Bonds is assured by the terms of the Company's contract with the City of Montreal.

Price 99½ and Interest to Yield 6 1/8%.
Full particulars from
HANSON BROS.
Investment Securities
160 St. James St. Montreal
63 Sparks St. Ottawa

Canadian Government Railways
Bonds and Debenture Stock

Special Offering:

CANADIAN NORTHERN RAILWAYS
5% INCOME CHARGE DEBENTURE STOCK
Due May 6, 1930

THESE debentures are redeemable at par in May, 1930, and, at present levels, investors are offered the opportunity of increasing their capital by approximately

90% *in less than 6½ years*

As this exceptionally large return is in the form of capital appreciation, it is NOT SUBJECT TO INCOME TAX.

The debentures are secured by a mortgage which charges the undertakings and railways of one of the finest transportation systems in the world—our Government-owned lines.

Shrewd investors are buying these Debentures in large quantities. Have you obtained your share? If not, we shall be glad to forward full particulars for your consideration. Prompt action is urged.

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LIMITED
Investment Bankers
17 St. John St. Montreal
PHONE MAIN 412

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Limited
Montreal Quebec Ottawa Toronto

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Principal and Interest payable in Montreal, Toronto, Quebec or New York.
Denominations: $100, $500, $1,000
Price, 99½ and Interest.
Yield: 6⅛%.
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112 ST. JAMES ST., MONTREAL

CIVIC AND PROVINCIAL FINANCE

SEEKS RELIEF FOR CITIES FROM BIG EDUCATION COSTS

Edmonton Official Advocates That Provinces Contribute Larger Share

EDMONTON.—"We have expanded our system of education, increased and broadened the subjects of study, extended the principle of free elementary and high school education, adopted all the ideals and all the frills of education which have been suggested and advocated from time to time, regardless of whether our system of financing was adequate to meet such a strain." These are the words of C. J. Yorath, city commissioner of Edmonton, in summing up the difficulties of our educational system at the convention of Alberta School Trustees in February.

Increase in Costs

Commenting on the enormous expenditure involved, he said:

The cost of elementary and secondary education throughout Canada has increased from $11,750,000 in 1901 to $109,181,000 in 1921, an increase of $97,431,000 or 830 per cent., while during the same period the number of pupils enrolled has increased from 1,068,786 to 1,914,734 or 80 per cent.

In 1913 the total cost of education in Canada was $37,656,960.

In the province of Alberta the current expenditure on education has increased from $6,273,932 in 1913 with an enrolment of 79,909 to $9,871,927 in 1921, with an enrolment of 138,000.

While admitting that the number of pupils had increased greatly, and that the purchasing power of the dollar had decreased, he demonstrated that the costs were a dangerous burden to the taxpayers. In emphasizing this he said:

"In 1913 and previous years during the land boom it might have been possible to finance the cost of education out of revenue derived from a tax on property, but it should be remembered, particularly when the comparative cost of education per pupil is considered, that to-day the assessed value of property is only 33 per cent. of what it was in 1913.

"In Edmonton the assessed value of property for school taxation in 1913 was $181,000,000, to-day it is $60,610,000, a decrease of $120,390,000, whereas during the same period the tax levy for education has increased from $534,000 to $1,171,000."

Province Pays Little

Referring to the present system, he said:

"While the right to legislate is under the control of the provincial governments, practically ninety to ninety-five per cent. of the cost of education has to be provided for out of the local rates. In this province the provincial government contributes only about five per cent. of the total cost of education to the cities, although the cities have to bear the enormous cost of high school education which is the training ground for the university."

Make Education National

The solution he suggested, is a larger national contribution towards the cost of education, the assumption of the cost of secondary education by provincial government, and the reduction of educational costs in the centralization of financial control and administration. He supported his suggestions by commenting on the results in other countries. Thus, in Europe, higher education is limited to those showing special adaptability, because any other system would be too expensive.

Systems Elsewhere

He pointed to the Education Act of 1902 in Great Brittain, which resulted in a larger contribution of the state toward the cost, in a more unified system, and in transferring control from school boards to county, town and city councils. Thus, in the period prior to the war, government grants provided for 49.3 per cent. of elementary education costs, and 42.3 per cent. of those for higher education; the local taxes provided 49 per cent of the former, and 44 per cent. of the latter; the balance came from fees sale of books, endowments, etc. The councils delegated powers to educational committees, except the power of raising rates, or borrowing money

Mr. Yorath also referred to the Australian system, under which each state operates independently.

The state, which is equivalent to a province in Canada, not only controls but completely and absolutely supports and regulates the system of public education without support from or interference by the localities in which the schools may be situated.

Australian education tends, therefore, to be centralized, systematic and homogeneous.

If changes were made on this basis Mr. Yorath believes that the heavy burden might be reduced without seriously handicapping the necessary developments in the field.

OUTLINE ECONOMIES IN CALGARY BUDGET

New Council Institutes Policy of Retrenchment; Cease Unemployment Relief

From Our Own Correspondent.

CALGARY.—An economy wave has swept over the Calgary city council. For years the city has been going further into debt owing to extravagance. Last year a very earnest attempt on the part of some of the members of the council to put their house in order was frustrated by the large Labor element in the council. At the last election, however, the business men of the city got together and succeeded in changing its complexion, which has made it possible to take steps toward retrenchment.

These include the consolidation of the power department with the street railway; cutting the fire department and police department each by $10,000; the possible amalgamation of the treasurer's and comptroller's departments; unemployment relief to cease not later than March 31; and amalgamation of the children's aid and relief departments.

It is anticipated by the city commissioners that these changes will effect a saving of between $60,000 and $75,000. In addition to this, the adoption of a penalty system for non-payment, instead of the discount for prompt payment of taxes, will mean a reduction from the present tentative estimates of $120,000. This policy has met with much approval from the taxpayers.

Ottawa Seeks More Taxes From Dominion Sources

Strenuous attempts are being made by the Ottawa city council to avoid an increase in taxes. Representations have been made to the department of public works to secure more revenue from the Dominion government. Under the constitution, the latter is not subject to municipal taxation, but a 5-year agreement is now maturing under which it gives $150,000 a year to the Ottawa Improvement Commission, and $75,000 to the city treasury. In seeking to increase this the board of control pointed out that the taxable assessment is $93,000,000, and the assessable value of government property is $36,000,000. If it were a regular taxpayer the government would pay approximately $1,000,000 a year. Little hope is held out that more can be secured from this quarter.

However, economies are being enforced in other directions. The estimate of $750,000 for a new civic hospital has been cut to $500,000.

Tax Rates for 1924

Brockville	37 mills
Brant County	11¾ "
Kitchener	33 "
Woodstock	39½ "
London	38 "
Peterborough	34.6 "

BILLS FOR HIGHWAY COSTS FORMIDABLE

Municipal Officials Surprised at Cities' Share; Is Five Mills of London Rate

Much surprise has been registered by Ontario municipalities, which have recently received bills for their share of the highway construction costs. It is stated that Hamilton's share of $705,904, if paid out of the general funds, would add 5 mills to the tax rate. The amount is made of payments for 1921, 1922 and 1923 construction, being 20 per cent. of the cost of specified highways within 7 miles of the city limits. It does not include $365,000 spent on a highway entrance at the west end of the city. The statement from the provincial department is as follows:

	Total Expenditure
1921	$1,370,346.75
1922	1,316,448.44
1923	842,723.18
Total	$3,529,518.37
1921 amount borne by municipality (20%) .	$ 274,069.34
1922 amount borne by municipality (20%) .	263,289.69
1923 amount borne by municipality (20%) .	168,544.63

The bill sent to London, Ont., totals $163,576, made up of $74,118 for 1921, $63,293 for 1922 and $26,165 for 1923. This is approximately 2½ mills of the tax rate.

Equally formidable accounts have been rendered to other municipalities. Complaints have been made in some quarters that the municipalities had no say in letting the contracts. However, the money has been spent and the accounts must be met.

Loses $116,755 in 1923 On Alberta Telephones

A deficit of $819 is reported on the operation of the Alberta telephones during the past year, and, when allowance is made for the statutory requirements of ½ per cent. of gross earnings for a sinking fund, this is further increased to $116,755. During 1923 the lines had to carry the enormous interest burden of $1,194,072. In addition, there was $1,888 for contingencies, and $28,789 bank interest and exchange, a total of $1,224,749.

The total revenue was $2,361,468, of which $967,505 was exchange earnings $486,743 rural earnings, and $907,218 toll earnings. The total expenditure was $1,287,722, of which $926,337 was for operation and $361,384 for maintenance. This left a net operating revenue of $1,073,745, to which is to be added $150,184, of which $13,068 was directory earnings, $54,691 miscellaneous earnings, and $82,425 interest earned, leaving an operating revenue of $1,223,930.

Simplify Organization to Effect Economies

In lauding the success of Toronto officials in halting the steady rise of civic expenditure, the Bureau of Municipal Research outlines the factors which may operate to reduce per capita expenditure in a municipality. The two principal divisions are preventing services from growing faster than population, and reducing costs of services at a greater rate than the growth of services.

The bureau agrees that the former is usually applied with success, but cautions against abandoning vital services in individual cases. To the latter method particular attention is paid. It is declared that debt charges are not always uncontrollable, because careful planning ahead will have a salutary effect in reducing them. The bureau points to the reduction of salaries and wages as a difficult avenue. However, in the introduction of business methods in the purchase of supplies and equipment, substantial savings may be effected. Similarly, the bureau intimates, the simplifying of civic organization, abolishing wards, combining related departments, etc., worth-while economies can be attained.

REDEEM PAPERBOARD BONDS

It is announced that the Canadian Paperboard Company, which operates paperboard mills at Montreal, Frankford, and Campbellford, has redeemed the first instalment of its $800,000 7 per cent. bonds, amounting to $30,000, in accordance with the trust deed.

Tenders and By-Laws

TENDERS WANTED

Mar. 15, Dryden.—$30,000, 6%, 30-yr. debentures. J. E. Gibson, Clerk and Treasurer. (See announcement on page 16.)

Mar. 27, North Bay.—$76,687, 5½%, 10 and 20-ins. (See announcement on page 16.)

Apr. 5, Toronto Twp.—$23,000, 5%, 30-instal. debentures. J. R. Kennedy, Clerk, Dixie P.O., Ont.

SASKATCHEWAN

Authorizations Granted by the Local Government Board from Feb. 29, to Mar. 6, 1924.

Schools—Thunder Hill, $2,000; Welayn, $2,000; Nolin, $1,500; Grand Ravine, $3,000.

Telephones—Pibroch, $1,300; Crooked Valley, $450.

Debentures Reported Sold

Conquest, R.T., $2,000, 10-yrs., 6½%, Regina Brokerage & Inv. Co.

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES

Date—	Place—	Sold To—	Rate	Term	Amount	Price	Basis
Mar. 6	—Saskatchewan Phones..	Regina Brokerage & Inv.	6½%	10-yr.	$2,000	..	..
Mar. 10	—Sherbrooke	McLeod, Young, Weir & Co., Toronto	5%	11-yr.	210,000	95.73	..
Mar.	—Cap de la Madeleine	Three Rivers Mortgage & Bond Co., and Credit Anglo Francais	5½%	10-ins.	75,000	98.365	5.85
Mar.	—Hespeler	Locally	..	..	2,516	..	..
Mar.	—Hanover	W. L. McKinnon & Co., Toronto	5½%	20-ins.	13,800	100	..
Mar.	—Burnaby District, B. C.	A. E. Ames & Co., Toronto	5½%	5-yr.	250,000	95.34	..
Mar.	—Burnaby District, B. C.	A. E. Ames & Co., Toronto	5½%	15-yr.	30,000	98.29	..
Mar. 12	—Carleton County	Matthews & Co.	5½%	5 & 20-ins.	$281,500	101.077	..
		CORPORATION					
Mar.	—Newfoundland Light & Power	Royal Securities Corp.	6½%	..	1,000,000	98.50	6.60
Mar.	—Avon River Power Co.	Johnston & Ward Co.	6½%	..	250,000	100	..

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Many are satisfied with 3%. Others seek excessive yields and thereby endanger both interest and principal.

Your money can earn 6 or 7% at present, with ample security. Write for our selected list of Bonds and Preferred Stocks. They have all been submitted to a thorough scrutiny.

Over 22 years Investment experience.

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Charlottetown, P.E.I.

THE FACTS
REGARDING FARM IMPLEMENTS
No. 1 of a Series
Relative and Comparative Values

THE price of any commodity is high or low only by comparison with that of other articles of similar make. The price of farm produce is admittedly low, but is this justification for saying that the price of other articles is excessive? As much is being heard these days about implement prices, let us consider briefly the factors that control these prices.

Implements—Small Part of Outlay

According to the Dominion Government's Census only 11% of the total value of farm property is represented by "Implements and Machinery," which includes automobiles, tractors, threshers, etc. Moreover, out of every dollar received by the farmer for his produce only 3½ to 8 cents, according to the type of farming, is spent on implements and repairs. Therefore, although agricultural implements are the base of modern agriculture, they represent, in capital expenditure and annual maintenance, a very modest proportion of the farmer's outlay.

Operating at a Loss

To operate at a loss tries men's morale, but it has been done and is being done today. The farmer and his co-partner the implement maker have been forced to sustain heavy losses during recent years, in both cases due to the increased cost of production, and the low prices obtained for their products. The leading implement companies have suffered in the last three years very substantial losses. Moreover their production of machines has decreased by over 50 per cent.

Some Uncontrollable Factors

Is it generally known what little influence the manufacturer has over the price of his finished article? Four important factors determine price — materials, labor, transportation and volume of production, and over all four the implement maker has no control. Since 1913 the first three have greatly increased, while the fourth has substantially decreased.

Raw Materials cost on an average 138% more than before the war:—

Steel	- 128%	Malleable	- 100%
Maple	- 248%	Cotton Duck	169%
Oak	- 145%	Southern Pine	112%

Labor costs 113% more than before the war

Transportation costs 44% to 100% more than before the war—on materials to the factory and on finished machines.

Volume of Production is less than half of what it was before the war.

Yet, notwithstanding these adverse changes implements have advanced only 80.4%.

Cost on per Pound Basis

A reasonable method to determine if the price of an article is high or low, is to compare it on a per pound basis with other commodities made of similar materials and employing a similar class of labor. Such a comparison was made with the following results: A kitchen stove sold at 15 cts. per pound, a wash boiler at 42 cts., a pitch fork at 36 cts., a sewing machine at 45 cts., and the cheapest automobile at 36 cts.; yet a disc harrow was only 15 cts. a pound, a spreader 10 cts., and a binder 15 cts. Does this not prove that

Implement Prices Offer the Best Value for the Farmer's Dollar

MASSEY-HARRIS COMPANY, Limited
Established 1847
Toronto, Montreal, Moncton, Winnipeg, Brandon, Regina, Saskatoon,
Swift Current. Yorkton, Calgary, Edmonton. - - Agencies Everywhere

THE MUTUAL LIFE ASSURANCE COMPANY OF CANADA
WATERLOO, ONTARIO.
STATEMENT SHOWING THE PROGRESS OF THE COMPANY BY DECENNIAL PERIODS

YEAR	INCOME	ASSETS	PAID TO POLICYHOLDERS	BUSINESS IN FORCE
1873	$16,435	$23,144	$2,687	$701,100
1883	190,182	529,204	62,595	6,572,719
1893	626,208	2,570,820	212,828	17,751,107
1903	1,561,070	7,283,158	493,721	37,587,552
1913	4,169,660	22,252,724	1,396,445	87,392,027
1923	13,448,769	59,727,388	5,369,743	269,982,566

HUME CRONYN, President. CHARLES RUBY, General Mgr.

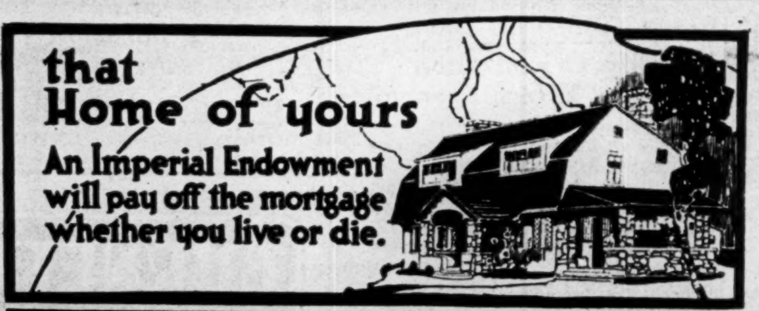
The Independent Order of Foresters
Organized 1874
TOTAL BENEFITS
Paid to Members and their Beneficiaries
$81,000,000.00
Policies Issued from $1,000 to $5,000
G. E. BAILEY, Secretary — W. H. HUNTER, President — G. R. COTTRELLE, Treasurer

Quality Investments

The investments of The Great-West Life are mainly in well-selected mortgages and high class Bonds. The knowledge of this fact in financial circles has established a confidence in Great-West Securities that explains in large measure the company's wonderful success in the short period of 31 years. Confidence is contagious, hence the splendid showing of $56,235,142 of the finest quality assets in Canada.

THE GREAT-WEST LIFE
ASSURANCE COMPANY
HEAD OFFICE - WINNIPEG

THE MONARCH LIFE
IS A
GOOD COMPANY
Offices: Toronto, Winnipeg, Regina, Saskatoon, Calgary, Edmonton, Vancouver, Victoria.


that
Home of yours
An Imperial Endowment
will pay off the mortgage
whether you live or die.

The IMPERIAL LIFE ASSURANCE CO.
OF CANADA
HEAD OFFICE TORONTO

CANADA PERMANENT MORTGAGE CORPORATION

QUARTERLY DIVIDEND

NOTICE IS HEREBY GIVEN that a Dividend of three per cent. for the current quarter, being at the rate of

TWELVE PER CENT. PER ANNUM

on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable

TUESDAY. THE FIRST DAY OF APRIL

next, to Shareholders of record at the close of business on the Fifteenth day of March.

By or ler of the Board.

WALTER F. WATKINS, Secretary.

Toronto, February 20th, 1924.

Life Insurance Agents
Profit by Long Distance

"It often happens that our agents in the field are unable to quote a premium rate without reference to the head office. At such times their practice is to use long distance, secure the information without delay, and close with the prospect while he is still in the mood to sign an application. Our agent in a nearby town signed up a particularly difficult prospect for a large monthly income policy after telephoning us from the prospect's office. If he had waited until next day for the information, he probably would not have secured the business."

Each new subscriber adds to the value of YOUR telephone.

FRANK KENNEDY,
Manager

THE BELL TELEPHONE COMPANY OF CANADA — LONG DISTANCE TELEPHONE

INSURANCE FOR BUYER AND SELLER

HEAVY FIRE LOSS RATIO MAY MEAN INCREASED RATES

Consider Situation at Conferences; Many Companies Lose Money

At a conference of the Canadian Fire Underwriters in the city of Quebec recently, the possibility of raising fire insurance rates received serious consideration. This has been followed by other conferences at other points with a view to solving the present difficulties in the fire situation. A review of the developments of the past three years indicates that property owners must pay the price of the carelessness and other factors which have caused the loss ratio to mount steadily since the business slump in the fall of 1920. All indications point to a definite increase of the rates on certain classes of risks.

Any increases will bear heavily on large property holders at a time when they are attempting to effect reductions in every direction. However, in justice to the insurance companies it should be pointed out that fire rates are practically at the same levels as in 1914. That this is true, in spite of the increasing costs which the companies must meet in doing business, is due largely to the fact that business conditions were good during the war years. Property values were increasing so that much care was exercised in preventing fires and the losses were light. The increased commissions, travelling expenses, salaries, etc., were thus offset and premium rates were unchanged.

Since 1920 a different situation has developed. While the cost of securing business and of general administration has remained high, the losses from fire have jumped to new high levels. At first it was thought that the heavy losses represented only a passing phase and insurance officials were disposed to wait and watch. However, the losses have shown few signs of abating. In 1922 they totaled 68.92 per cent. of the premiums received, and last year they were almost as great, while they are reported to be high in the first two months of the present year. As the cost of doing business, including commissions, etc., approximates 40 per cent. for most companies, the net result is that they are losing money.

Any changes can be made only after prolonged investigation because the loss ratios of different companies vary somewhat widely and the losses on different classes of risk show wide divergence. The realization that fire insurance companies act as trustees for those insured, has resulted in the development of classifications of risks, so that to-day the rate on any particular class of building is determined by the experience of years in covering that class. All classes have not shown a loss to the companies but in some cases the losses have been almost as astounding. In one province the losses on a specific class were over four times the premiums received in one year. The basis of readjustment is to arrive at premium rates adequate to provide for the losses in each class independently of any other. Thus, while increases may not be necessary in some cases, substantial advances may be necessary in other classes.

GIVES GOOD ADVICE TO INSURANCE MEN

Winnipeg Underwriters Counselled to Master Details of Business

WINNIPEG.—P. A. Wintemute, who is past president of the national association of life underwriters, and manager of the Winnipeg agency of the Manufacturers Life recently addressed a group of agents of all companies at the Marlborough hotel, at the monthly luncheon of the Winnipeg organization. Mr. Wintemute confined himself to practical matters of conduct on the part of life insurance salesmen.

Such salesmen, he said, should enter on the business with an understanding of the value and worth of a life policy and with the definite purpose of making life insurance their life's business. The work must be undertaken according to some system and it was desirable that the salesman should set a goal which he determines to reach.

All doubtful risks should be avoided, since disappointment in connection with these risks would have a deterring effect on general business. When a signature has been obtained, two other things were essential. First there was settlement, and it was most desirable that settlement should be in cash. If it was necessary that a note be taken, the term should be short and the time should be set on a date when the applicant believes that he will have money. On the due date the applicant should be seen in person and at least a portion of the money collected. Second, it was essential to take the applicant to the doctor.

Mr. Wintemute then gave advice on other matters of conduct. The salesman must be sociable and learn to be an optimist. He must read financial and insurance journals, attend life underwriters' gatherings, study literature of the subject, and become familiar with all plans of insurance, the advantages of each and the cost.

His belief in insurance for protection and investment must be unquestioning and he must have a deep interest in insurance apart from the thought of a livelihood and commissions.

What Proportion of Man's Income Should Be Used For Insurance?

How can I maintain a satisfactory ratio of savings which will be available in case of necessity and at the same time protect those dependent on me in the event of my early death? This is the tenor of enquiries received by THE FINANCIAL POST frequently, especially from young married men. A recent letter reads as follows:

"I am a young man of thirty and am just beginning to acquire a good earning power. My salary is close to $5,000 a year and is likely to increase from year to year. I am married and have two children. That I am not extravagant I am convinced, yet I have established myself upon a comfortable scale of living and find it dificult to save more than $1,200 to $1,500 a year above my life insurance premiums.

I am carrying $12,000 of life insurance of which $10,000 is 20-year endowment on which I have paid five premiums, and $2,000 is whole life insurance taken out a couple of years ago. Thus I am now placing over $500 a year in insurance. As things go I am pretty comfortably fixed as to insurance, but when I figure it out on paper I do not see that what I have saved added to my insurance is anywhere near enough to keep my wife and children in more than comfort if I should die at the present time. I have saved only about $6,000 all told which is well invested and this does not include an investment in a home, for I rent an apartment. My estate therefore adds up to about $18,000 which would earn an income of about $1,000 a year for my dependents, or around $20 a week. This would keep them from distress, but it might be far from enough to give my widow such comforts as my wife now enjoys, and it might not insure thorough education for my son and daughter.

I should value your advice on rearrangement of my insurance and investment plan if you think it could be improved upon. Would you advise me to accept the cash surrender value of my endowment policies or take paid up insurance for the amount paid in and use the premiums now going that way to buy whole life insurance. Would you advise term insurance to increase my estate at once? Or do you think I have enough insurance now and should utilize any further amounts I can save to invest in good securities.

On the average, what proportion of a man's income should be devoted to insurance? I notice that one large insurance company advertises that a man's insurance should be sufficient to provide his dependents with an income at least half as large as he has while alive. I have worked this out and it would involve spending about one quarter of my income in insurance premiums and is far too high.

The enquiry is being submitted to a number of well-known insurance and investment men for consideration. The reply of one manager with wide experience in insurance and a reputation for sound and conservative advice in these matters, analyzes the problem as follows:

The problem of this man's widow will be as follows:

	Dr.	Cr.
Receipts from estate ..		$18,000
Last sickness and funeral expenses	$ 1,300	
Current debts and sund.	500	
Expenses moving into less expensive apartment .	200	
Balance	16,000	
	$18,000	$18,000

Ages of children are not given. It is presumed, however, that 15 years will elapse before they are able to take care of themselves; $16,000 will provide a monthly income of approximately $125 for 15 years only. If this solution be chosen, the children cannot be very well educated, and the children, when they reach their majority, will have to undertake the support of the mother.

As life cannot be guaranteed, time may not be given to accumulate a savings fund which will supplement the income of the widow. It would appear, therefore, that the distribution of income is not suitable; $1,500 saved per annum is too large an amount, and the $500 in insurance premiums is too small an amount. It is not adviseable to change the present insurance. Both policies can be looked upon as protection against the loss caused by death, and also as an accumulation for old age; or, in other words, savings. The division of the premiums would be approximately $120 annually for protection and $380 for savings.

The actual distribution of the income is therefore $1,880 for savings, plus $120 for insurance.

My suggestion would be to place an additional $20,000 life insurance, with an annual premium of a little over $500. This policy would provide for total disability, as well as protection in the event of death.

This premium could be looked upon as $250 for protection and $250 for savings. The distribution of the income would now be: Present protection cost $120, and new protection cost $250; a total of $370. In addition, present assurance, savings account, is $380; new assurance, savings account, would be $250 and regular annual savings $1,000, total $1,630.

The widow's position will now be:

	Dr.	Cr.
Receipts from estate ..		$38,000
Last sickness and funeral expenses	1,300	
Current debts and sund.	500	
Balance	36,200	
	$38,000	$38,000

$16,200 can be used to purchase an income of approximately $163 per month for 15 years; $20,000 can be used to purchase an income varying with the age of the widow at the death of the assured) of approximately $100 per month, guaranteed for 15 years and as long thereafter as she may live. The widow would therefore have $263 per month during the minority of the children, and then $100 per month for the balance of here life, during which time the children can come to her aid. Or if the widow should die, $263 per month would be payable for 15 years after the death of the husband, thus assuring the children of proper care and suitable education.

Lastly, if the assured should live until he was 50, he would have accumulated by means of his life insurance policies $20,000 in cash.

This solution emphasizes the savings elements in life insurance policies. This is a consideration often overlooked by policyholders. A large part of the premiums paid on standard forms of policies to-day is used to build up an equity or saving, which may be drawn upon by the insured himself in later years if advisable, or made the basis of a loan at any time in case of emergency. In respect of this money the insurance company is acting largely as an investing trustee for the insured, and experience shows that the returns in many companies are highly satisfactory. The insurance company secures investments in large blocks on the advice of officials of long experience, and the insured shares in their advantages. While the amateur investor is disposed to believe he can earn higher rates, the actual results over a period of years are seldom so satisfactory.

Ed. Note.—Opinion of others will follow in future issues.

HINT AT GOVERNMENT GIVING MARINE COVER

Speech From Throne Touches on Alleged Discrimination Against Canada

From Our Own Correspondent.

OTTAWA.—The intimation in the speech from the throne that "the important subject of marine insurance as affecting our ports" is receiving the attention of the government, is a straight hint that it is thinking of going into the marine insurance business. Naturally, it will think long before taking such a step, but it is being realized that something must be done to end the discrimination of the underwriters against British ports in North America.

That in the matter of marine insurance rates, both on hulls and on cargo, Canadian ports are discriminated against in favor of those of the United States is well known. This is true both of the summer and winter seasons, and applies to St. John and Halifax as well as to ports on the St Lawrence. So marked is the discrimination that it diverts southward much traffic that otherwise would come to our ports.

For a long time the explanation of the higher rates charged against Canadian ports was that owing to the greater difficulties of navigation the element of risk was greater in their case. The Canadian government has spent so many millions on improving navigation that it is claimed this old argument no longer holds good.

INSURANCE SALES HIGHER

The actual volume of life insurance sales for January, 1924, was approximately a million dollars a day, or $30,673,000 as compared to $28,108,000 in January, 1923, according to the Life Insurance Sales Research Bureau. This was an increase of 9 per cent. over last year. Five of the ten provinces reporting show a decrease and five an increase. Prince Edward Island leads with an increase of 30 per cent. and Nova Scotia has the lowest record, a decrease of 11 per cent.

MR. PICKETT JOINS DOMINION

It is announced from Waterloo that James K. Pickett, former general manager of the Union Trust Company, has joined the staff of the Dominion Life Assurance Company, as assistant manager and secretary. Mr. Pickett has had a wide experience in financial affairs in Canada. He was formerly secretary and later general manager of the Imperial Life Assurance Company. After engaging in private business for some time he acted as manager of the Winnipeg branch of the Union Trust Company for three years. He was then appointed general manager, which position he occupied for six years.

WELLINGTON FIRE

In view of the unfavorable conditions which fire insurance companies faced in 1923, the report of the Wellington Fire Insurance Co. indicates careful management. The gross premium income, less rebates and return premiums, amounted to $217,201, as compared with $191,098 in the previous year, an increase of $26,103, and the total amount of insurance in force now stands at $27,989,940, being an increase of over $4,000,000.

The gross loss ratio on the operations of the year was 55.6 per cent., and the net, 51.68 per cent.

MANY YEARS WITH MUTUAL

In the death of Jacob Winkler at Waterloo, Ont., the insurance business in Canada loses one of its widely-known pioneers. He was connected with the accounting department of the Mutual Life Assurance Company for 37 years, from its organization until 1914. At that time he retired on a pension. The system of accounting, built up under him, as chief clerk, has been the subject of much favorable comment.

INSURANCE LICENSES

The following licenses have been issued by the Department of Insurance, Ottawa:

The British America Assurance Co., to transact inland transportation insurance; and the Caledonian Insurance Co., and the Scottish Metropolitan Assurance Company to issue sprinkler leakage and tornado insurance.

PUTTING SALES MESSAGE ACROSS

Various corporations utilize their annual staements to get a sales message across to the shareholders. Following this practice, A. J. Nesbitt, president of Ames Holden Tire, says to the shareholders in their annual statement for 1923: "All shareholders are urged to co-operate by, wherever possible, giving preference to your company's products—Ames Holden Tires and Rhino Rubbers."

FREDERICK M. MOFFAT
Trustee in Bankruptcy
LIQUIDATIONS
COLLECTIONS
OSCAR HUDSON & COMPANY
Toronto London Hamilton Montreal
St. John, N.B. Winnipeg Vancouver

When selecting a Trust Company as an Executor choose one whose fixed policy is to give
Financial Assistance
to Estates being administered by it
PAID UP CAPITAL
AND RESERVE $1,259,430.36
The Imperial Canadian Trust Co.
Executor, Administrator, Assignee, Trustee, Etc.
Head Office, Winnipeg.
Branches: Saskatoon, Regina, Edmonton, Calgary, Vancouver and Victoria.

FIRE AUTOMOBILE MARINE
British America Assurance Co.
(Incorporated 1833)
British Empire Underwriters Agency
St. Lawrence Underwriters Agency
Western Assurance Company
(Incorporated 1851)
Head Offices: 22 Wellington St., East, Toronto
INLAND TRANSPORTATION
RIOTS and STRIKES EXPLOSION

THE
CANADA NATIONAL FIRE
INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, CANADA
TOTAL ASSETS $2,928,337.62
TORONTO, 24 Adelaide St. W.
W. H. George, Superintendent of Agencies

SECOND OF SEVEN
Winnipeg is the headquarters of seven splendid life companies, all safe to insure with.
The Northwestern, although the youngest, was second to construct its own home office building.
NORTHWESTERN LIFE
NORTHWESTERN BLDG. WINNIPEG, MAN.

Butler-MacCulloch
Limited
Insurance General Agents, Fire, Hail, Automobile, Miscellaneous.
409 Hammond Bldg.,
MOOSE JAW SASK.

THE
WESTERN EMPIRE
Life Assurance Company
HEAD OFFICE
701 Somerset Building
Winnipeg, Man.
Branch Offices:
SASKATOON EDMONTON
CALGARY VANCOUVER

When Remitting Send a
DOMINION EXPRESS MONEY ORDER
For Sale at C.P.R STATIONS and
DOMINION EXPRESS AGENCIES

The Grain Movement

OTTAWA.—Preliminary figures showing the receipts at head of lakes, also Vancouver, B.C., for the period from September 1, 1923, to February 29, 1924.

	Ft. William and Pt. Arthur	Vancouver, B.C.
Wheat	236,154,389	27,573,309
Oats	26,391,370	131,029
Barley	10,756,214	....
Flax	3,486,892	....
Rye	4,254,754	188,820
Totals	281,043,619	27,893,158
Same period 1923	244,362,173	11,976,944
Increase over last year..	36,681,246	15,916,214

Abitibi Power and Paper Company Limited

TENTH ANNUAL REPORT

FOR THE FISCAL YEAR ENDING DECEMBER 31, 1923.

To the Shareholders of the
Abitibi Power & Paper Company, Limited.

Your Directors herewith submit their Report for the fiscal year ending December 31, 1923.

Operations for the year produced net earnings of $4,279,579.35 before providing for interest, income tax, and reserves. Net profits, after all charges and reserves, were $2,466,768.57, out of which $70,000 was paid to Preferred Shareholders and $1,000,000 in Common Stock Dividends. Surplus for the year was $1,396,768.57 and the total earned surplus at December 31, 1923, was $6,204,007.42.

The Balance Sheet reflects the following changes:

Fixed assets were increased by the expenditure of $1,228,189.78 on the Company's Mills, Railroad, and Townsite, without the issue of any additional capital obligations, which were in fact reduced by the payment and cancellation of $702,000 of bonds. Inventories and current payables were both materially reduced and surplus and reserve were increased over $2,000,000.

The Company's properties are in excellent physical condition and production is steadily increasing.

The Directors record, with feelings of the deepest regret, the death on November 1st of Mr. F. H. Anson, the President and Founder of the Company, whose ability and untiring energy were devoted exclusively to the development and operation of your property.

On behalf of the Board of Directors,
ALEXANDER SMITH, President.

Montreal, March 10, 1924.

ASSETS

FIXED ASSETS:			
Land, Timber Limits, Water Powers, Buildings, Machinery and Equipment, including cost of financing			$24,598,053.79
Capital Stock and Advances to Abitibi Lands & Forests Limited (Townsite Properties), Abitibi Transportation & Navigation Company Limited and Capital Stock of Iroquois Falls Merchandising Company Limited			2,111,981.00
Total Fixed Assets			$26,710,034.79
CURRENT ASSETS:			
Inventories at Cost:			
Logs and Expenditures on 1923-1924 Season's Logging Operations		$1,978,230.48	
Paper, Pulp, Materials and Supplies		731,278.64	
		$2,709,509.12	
Accounts Receivable		936,459.49	
Cash on hand and in Bank		618,719.98	
			4,264,688.59
OTHER ASSETS:			
Taxes, Insurance and other Expenses Prepaid			78,930.16
			$31,053,653.54

LIABILITIES

CAPITAL:			
Common Stock — Authorized and Issued — 250,000 shares of no par value		$5,000,000.00	
Seven Per Cent. Cumulative Preferred Stock — Authorized and Issued—10,000 Shares of $100.00 each		1,000,000.00	
			$ 6,000,000.00
FUNDED INDEBTEDNESS:			
Consolidated Mortgage Sinking Fund Gold Bonds—			
Issued	4,500,000.00		
Less—Redeemed	606,600.00		
		3,893,400.00	
Reserved for refunding Underlying Bonds	7,111,500.00		
For Additional Working Capital	1,684,500.00		
	8,796,000.00		
First Mortgage Six Per Cent. Gold Bonds—Authorized	5,000,000.00		
Less — Redeemed and cancelled to date	1,768,500.00		
		3,231,500.00	
General Mortgage Six Per Cent. Gold Bonds—			
Issued	4,000,000.00		
Less Redeemed	120,000.00		
		3,880,000.00	
			11,004,900.00
LOANS AND TRADE LIABILITIES:			
Bank Loans (secured under Sec. 88 of the Bank Act)		1,000,000.00	
Current Accounts Payable		787,058.58	
Liabilities for Materials in Transit		36,963.06	
Fixed Charges Accrued		288,033.50	
Wages Accrued		34,581.20	
			2,146,636.34
DIVIDENDS DECLARED:			
Payable January, 1924			267,500.00
PROVISION FOR GOVERNMENT TAXES			492,656.81
RESERVES:			
For Depreciation of Plant and Exhaustion of Timber Areas		4,602,047.22	
For Bad Debts		24,084.81	
For Depreciation of Inventories		311,820.94	
			4,937,952.97
SURPLUS AND UNDIVIDED PROFITS			6,204,007.42
			$31,053,653.54

CONTINGENT LIABILITIES:	
Bonds and other obligations of the Abitibi Lands & Forests Limited and the Abitibi Transportation & Navigation Company Limited guaranteed by the Company to the extent of	$855,309.67

Approved on behalf of the Board,

THOS. TAIT, Director.
VICTOR E. MITCHELL, Director.

AUDITORS' REPORT TO THE SHAREHOLDERS:

We have examined the books and accounts of the Abitibi Power & Paper Company, Limited, for the year ending December 31, 1923, and have obtained all the information and explanations which we have required; and we certify that, in our opinion, the above Balance Sheet at December 31, 1923, is properly drawn up so as to exhibit a true and correct view of the state of the Company's affairs, according to the best of our information and the explanations given to us and as shown by the books of the Company.

Montreal, February 26, 1924.

PRICE, WATERHOUSE & COMPANY,
Auditors.

STATEMENT OF INCOME AND EXPENDITURE!

FOR THE YEAR ENDING DECEMBER 31, 1923

Receipts from Sales of Paper and Pulp		$11,047,667.54
Operating, General and Administration Expenses		6,768,088.19
Net Earnings		4,279,579.35
DEDUCT:		
Interest on Bank Loans and Funded Debt		882,624.65
		3,396,954.70
Reserve for Depreciation and Depletion, Provision for Income Tax, 1923		930,186.13
Surplus for Year		2,466,768.57
DEDUCT:		
Dividends on:		
Preferred Stock	$ 70,000.00	
Common Stock	1,000,000.00	
		1,070,000.00
		$1,396,768.57
ADD:		
Surplus, December 31, 1922		4,807,238.85
Surplus as per Balance Sheet		$6,204,007.42

DEMAND FOR HOMES STIFLED JUST NOW

Immigration and Industrial Activity Only Will Revive Business

A housing shortage exists in the Dominion, but the demand for homes has been stifled through lack of immigration and industrial activity. Until the wheels of commerce again turn rapidly and people come to our shores in increasing numbers the demand for homes will continue latent, although the need persists, according to MacLean's building reports.

A thorough study of the housing situation in all its ramifications makes it clear that residential construction has not been undertaken in boom-time proportions during the past four years. There is still a vast potential need for new homes—one that will take many years of active building to satisfy. The construction of homes will likely proceed at last year's level until the commercial and industrial development of the Dominion gets vigorously underway—when very active home building may be expected.

During 1924, two types of home construction will predominate—the more expensive houses from architects' offices, and the small houses for workingmen. The total expenditure in Canada during 1924 for residences is estimated at $90,000,000, distributed as follows: Ontario, $50,000,000; Quebec, $30,000,000; Middle West, $6,000,000; British Columbia $3,00,000, and the Maritime provinces $1,000,000.

Mennonite Land Case Goes to Privy Council

From Our Own Correspondent.

REGINA.—The now famous Mennonite Land Sales Company case is to be carried to the foot of the throne. Leave to carry two appeals to the Privy Council has been granted by Chief Justice Haultain of the Saskatchewan Court of Appeal. The land sales company seeks to offset a King's Bench order, upheld by the appeal court, cancelling the contract between the Mennonite colony trustees and the firm, and, secondly, to offset an appeal court judgment preventing the registration of the company's mortgages on 10,000 acres of the colony lands.

HE WENT BACK TO START AT THE BOTTOM BUT HE REACHED TOP

(Continued from page 10)

The British Empire Steel Corporation almost had Frank P. Jones at its head. The Canadian National Railways was also offered to him. In both cases negotiations came to naught. Jones is wrapped up heart and soul in "Cement," and as his health during the past year or so has not been what it once was he is likely to stick with the company he has largely made.

Frank Jones plays well and he likes best those games that combine the elements of chance and skill. He has never sneered at poker, but since poker has been cramped by "limits" he has swung over to bridge. Golf is his favorite diversion. He backs his golf to the limit. Two years ago he won $500 from one of his associates by beating 85 that season. Last year he made the wager $1,000, and he undertook to break 80. The only reason he lost was the fact that he fell ill during the playing season.

He has another hobby. Every year he talks to the commercial students at McGill University on some phase of business life. Last year he talked on "The A. B. C. of Manufacturing." In about a thousand words he compressed an encyclopedia of business ethics and methods. Here is what he said to the students, soon to be going into business for themselves, on how management should handle its relations with employees. Read it over and see if it is not a code for industrial management:

"Be quick to notice carelessness, sloppy work, loafing, waste and want of co-operation and at once bring same to the notice of the offender. Be equally quick to recognize good work.

"Do not hide from your employees the mark you are shooting at; discuss the output you are aiming at and ask for reasons why it cannot be obtained, thus getting the employees to feel that such output should be reached.

"Wages should be good and paid according to work done. Bonuses are good, but I personally prefer some of the many stock distribution plans.

"The manager's door should always be open to every employee."

"The management must be absolutely fair and square with all employees. If there is a doubt, give the employees the benefit of it.

Mr. Jones takes his own advice. The Canada Cement people are loyal and contented. Last Christmas, Mr. Jones gave a bonus to many members of the staff. The bonus was in stock rather than in cash. The switchboard operator at the cement company's head office owns stock in the company.

There you have the story of Frank P Jones. Every story ought to have a moral, and the moral of this story is simply this: That Canada offers just as broad and bright opportunities for business success as any country anywhere. But success in Canada as anywhere must be built upon a sound basis. There are not any business miracles in Canada. If Frank P Jones had not been willing to go back and start at the bottom he might never have reached the top.

Quality Transportation
at the Lowest Cost per Mile

The automobile as a productive factor in Canadian business has proved of greater value than any other single invention. By shortening distances and time, the automobile brings buyer and seller together more quickly, conveniently and economically than any other means of transportation.

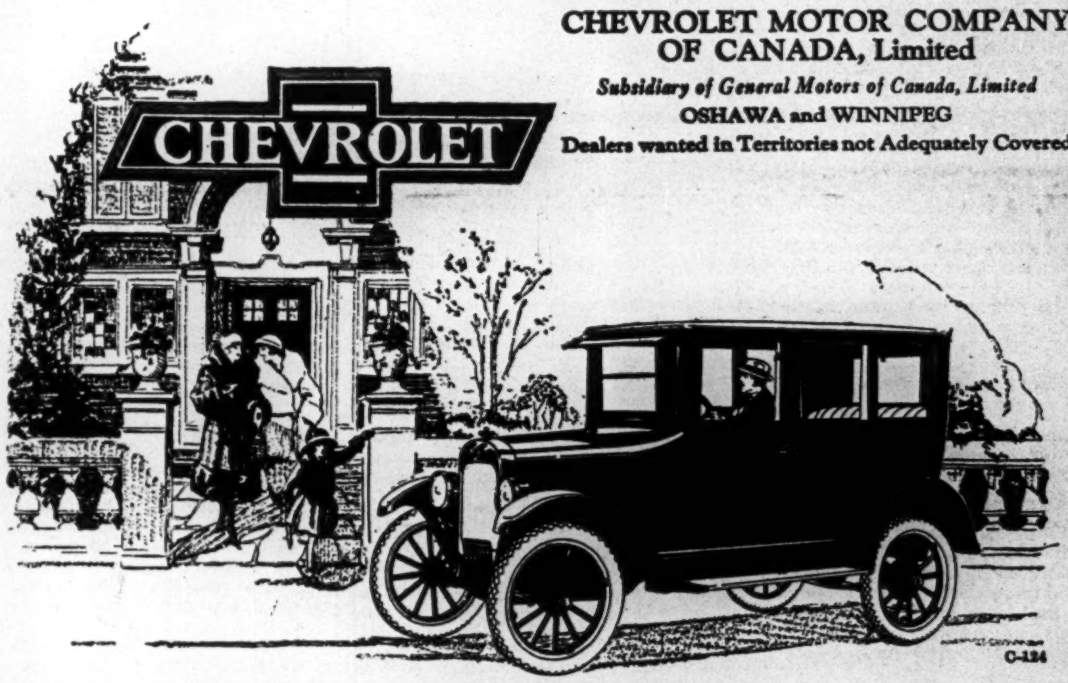
The automobile has increased man's earning power many times over. And Chevrolet, the lowest priced quality car in the world provides this efficient transportation at a lower price per mile than does any other car built.

Continuous daily service under difficult conditions only proves the complete dependability and stamina of this practical car.

In appearance Chevrolet does credit to any business house or professional or private person. In appointments and equipment it is as complete as the most discriminating owner could wish.

Chevrolet is an investment that will pay good dividends. Investigate.

CHEVROLET MOTOR COMPANY
OF CANADA, Limited
Subsidiary of General Motors of Canada, Limited
OSHAWA and WINNIPEG
Dealers wanted in Territories not Adequately Covered



Falling Off in Building Permits

A general falling off in the issuance of building permits is shown by the February figures for the Dominion. January was a good month. It showed a general tendency from coast to coast to increase building commitments, small though that increase was. February, however, completely turned the table and both east and west showed such a decline as to wipe out the advance of January and leave the first two months of the year well below the total for the same two months in 1923.

Fourteen of 31 eastern cities showed slight advances in February, but the decline of Toronto alone more than wiped out their gain. Eight of 17 western cities showed gains and in this case the decline at Vancouver was enough to leave a deficit. This same condition applies to the total for the two months as compared with the same two months of 1923. Montreal dropped over a million, Toronto two million, Fort William and Port Arthur over half a million each

The figures:

EASTERN CITIES

	Feb., 1924	Feb., 1923	Change	2 months 1924	2 months 1923	Change
Maritimes—						
Halifax . .	$ 183,440	$ 3,800+	$ 179,640	$ 199,742	$ 29,380+	$ 170,362
Moncton . .	3,200	800+	2,400	7,286	1,150+	6,136
St. John . . .	650	5,000—	4,350	46,550	5,000+	41,550
Sydney . . .	135	4,515—	4,380	16,235	4,515+	11,720
Quebec—						
Montreal . .	671,985	323,435+	348,550	1,396,765	323,435+	1,073,330
Quebec . . .	45,215	149,480—	104,265	219,580	175,530+	44,050
Sherbrooke .	5,000	8,000—	3,000	5,000	16,000—	11,000
Westmount.	6,000	6,900—	900	6,000	36,900—	30,900
Ontario—						
Brantford . .	1,325	2,840—	1,515	15,130	8,350+	6,780
Chatham . .	9,800	5,400+	4,400	26,000	5,400+	20,600
Fort William	12,400	609,600—	597,200	28,100	626,400—	598,300
Galt	. . . .	2,100—	2,100	75	2,100—	2,025
Hamilton . .	82,850	137,805—	54,955	188,650	279,205—	90,555
Kingston . .	13,500	1,150+	12,350	14,045	5,155+	8,890
Kitchener .	13,710	36,450—	22,740	87,335	48,728+	38,607
London . . .	61,670	55,535+	6,135	297,070	196,260+	100,810
Oshawa . . .	26,050	2,200+	23,850	34,300	25,275+	9,025
Ottawa . . .	93,600	37,600+	56,000	101,000	62,900+	38,100
Peterborough	. . . .	4,595—	4,595	3,625	11,790—	8,165
Port Arthur	915	775+	140	854,853	152,674+	702,179
Sarnia	21,605	27,953—	6,348	50,310	74,275—	23,965
Sault Ste Marie	18,000	1,150+	16,850	20,050	3,200+	16,850
Smith's Falls	. . . .	. . . .	. . . .	2,000	. . . .+	2,000
Stratford .	2,730	9,150—	6,420	7,375	13,375—	6,000
St. Catharines	11,831	9,985+	1,846	77,406	13,055+	64,351
St. Thomas. .	1,500	5,425—	3,925	7,225	8,325—	1,100
Toronto . .	787,289	2,128,555—	1,341,266	1,582,306	3,636,850—	2,054,544
Welland . .	9,050	4,000+	5,050	10,550	5,200+	5,350
Windsor . .	408,201	184,070+	224,131	499,766	690,995—	191,229
Woodstock .	2,470	3,838—	1,368	2,600	6,238—	3,638
York Tp. . .	104,100	. . . .+	104,100	280,200	. . . .+	280,200
Tot. 31 E. cit.	$2,598,221	$3,772,106—	$1,173,885	$6,087,129	$6,467,660—	$ 380,531
WESTERN CITIES						
Alberta—						
Calgary . . .	$ 14,800	$ 63,000—	$ 48,200	$ 30,800	$ 97,000—	$ 66,200
Edmonton . .	110,095	19,495+	90,600	120,875	28,395+	92,480
Lethbridge .	1,570	5,420—	3,850	4,925	6,485—	1,560
Medicine Hat	225	. . . .+	225	365	. . . .+	365
Manitoba—						
Brandon . .	. . . .	10,000—	10,000	4,350	10,000—	5,650
St. Boniface.	2,840	1,700+	1,140	3,140	11,700—	8,560
Winnipeg . .	88,800	64,150+	24,650	189,750	133,150+	56,600
Saskatchewan—						
Moose Jaw .	3,395	4,600—	1,205	3,595	4,710—	1,115
Prince Albert	6,275	400+	5,875	6,935	5,400+	1,535
Regina	13,275	7,720+	5,555	24,785	13,070+	11,715
Saskatoon .	20,200	63,500—	43,300	21,575	65,775—	44,200
Weyburn . . .	. . . .	. . . .	. . . .	250	. . . .+	250
Yorkton . . .	250	6,050—	5,800	350	7,850—	7,500
British Columbia—						
Nanaimo . .	7,800	920+	6,880	11,700	1,460+	10,240
New W'minster	45,775	8,300+	37,475	51,910	19,625+	32,285
Vancouver .	326,740	347,140—	20,400	523,555	555,710—	32,155
Victoria . . .	33,826	156,372—	122,546	51,131	176,557—	125,426
Tot. 17 W. cit.	$ 675,866	$ 758,767—	$ 82,901	$1,049,991	$1,136,887—	$ 86,896
Gr. tot. 48 c.	$3,274,087	$4,530,873—	$1,256,786	$7,137,120	$7,604,547—	$ 467,427

Canadian Paperboard Company Limited
Largest Manufacturers of Paperboard in Canada.
Mills at Montreal, P.Q., Campbellford, Ont., Frankford, Ont.
HEAD OFFICE: 2 Seigneurs Street MONTREAL

BALANCE SHEET OF
The Real Estate Loan Co., of Canada
LIMITED

FOR THE YEAR ENDING 31st DECEMBER, 1923

ASSETS

Real Estate held for sale			$ 34,402.58
Loans on Mortgage—			
Principal		$1,080,761.76	
Interest due and accrued		26,846.68	
			1,107,608.44
Loans on Stocks and Government Bonds			6,258.93
Dominion of Canada Victory Loan		15,050.64	
Canadian Municipalities, School Districts and Rural Telephone Debentures		103,709.87	
			118,760.51
Cash in Chartered Banks		31,061.51	
Cash in hands of Agents in Great Britain		4,989.46	
			36,050.97
			$1,303,081.43

LIABILITIES

TO THE PUBLIC—			
Sterling Debentures and Interest accrued thereon		$429,668.93	
Currency Debentures and Interest accrued thereon		56,439.87	
Open Accounts	$ 557.33		
Reserve for Accrued Taxes	4,300.00		
		4,857.33	
			$490,966.13
TO THE SHAREHOLDERS—			
Capital Stock Subscribed $500,000.00			
Capital Stock fully paid		$500,000.00	
Rest	$265,000.00		
Contingent Fund	25,000.00		
		290,000.00	
Dividend No. 74, payable 2nd January, 1924		17,500.00	
Dividends Unclaimed, etc.		810.00	
Profit and Loss Account		3,805.30	
			812,115.30
			$1,303,081.43

EDMUND WRAGGE, President.
HENRY W. MICKLE, Vice-President.
E. L. MORTON, Managing Director.

INVESTMENTS
Stocks and Bonds for investment bought and sold on all principal exchanges. Private wire New York and Toronto.
OSLER, HAMMOND & NANTON
WINNIPEG

AMERICAN SALES BOOK COMPANY, LTD.

Report of the Directors
to the Shareholders for the year ended December 31st, 1923.

The Directors present herewith their Report, showing the results of the Company's operations for the year ending December 31st, 1923, with the accompanying statement of Assets and Liabilities, as follows:

Balance brought forward from 1922	$129,244.96	
Less Federal Taxes on 1922 Earnings, paid in 1923	36,365.21	
	$ 92,879.75	
Profits for the year	572,792.73	
		$665,672.48
The Appropriations were as follows:		
Interest on Bonds	$ 14,499.00	
Transferred to Reserve for Depreciation	140,915.96	
In Reduction of Patents Account	50,000.00	
Four quarterly dividends on Preference Stock at rate of 7% per annum	215,131.00	
Three dividends on Common Stock of $1.00 per share each, including dividend payable January 2nd, 1924	92,199.00	
		512,744.96
Balance carried forward		$152,927.52

The Profit and Loss balance is subject to deduction of Federal Income taxes on the year's profits. There may also be some additional taxes on previous years' earnings when these have been audited by the tax officials.

Important additions have been made to the Company's plants in order to provide for the steadily increasing volume of business.

The Company is celebrating in 1924 the Fortieth Anniversary of the founding of the sales book industry by the President of this Company. The first shipment of books was made from our Niagara Falls factory in January, 1884. Advantage is being taken of this Anniversary to conduct a national advertising campaign from which a further extension of the business may be looked for.

By order of the Board,
S. J. MOORE,
President.

Balance Sheet, December 31st, 1923

ASSETS

Real Estate and Buildings	$ 431,892.56	
Plant, Machinery and Equipment	1,426,442.51	
Investments in Allied Companies	405,691.41	
Patents and Goodwill	2,357,570.21	
		$4,621,596.69
Merchandise	$ 406,791.45	
Prepaid Charges	59,922.93	
Accounts and Bills Receivable	420,597.22	
Cash in Banks and on Hand	136,497.75	
		1,023,809.35
		$5,645,406.04

LIABILITIES

Capital Stock Issued:			
Preference Stock	$3,073,300.00		
Common Stock	614,660.00		
		$3,687,960.00	
First Mortgage 6% Bonds due 1927	$ 750,000.00		
Less Sinking Fund and Bonds on hand	493,363.56		
	$ 256,636.44		
Accrued Interest on above	3,852.00		
		$ 260,488.44	
			$3,948,448.44
Accounts and Bills Payable		$ 392,570.56	
Dividend on Common Stock, payable Jan. 2nd, 1924		30,733.00	
			423,303.56
Reserve for depreciation on Buildings, Plant and Machinery		$1,095,327.77	
Other Reserves		25,398.75	
Profit and Loss Account Balance (subject to U.S. Federal Taxes)		152,927.52	
			1,273,654.04
			$5,645,406.04

At the 11th Annual Meeting of Shareholders held on March 11th, 1924, the President, S. J. Moore, reviewed at length the Company's operations for the past year.

The Board of Directors and Officers were re-elected as follows: S. J. Moore, President; W. D. Van Horn, Vice-President; A. M. Bovier, Treasurer and General Manager; A. E. Ames, Charles G. Brand, Edwin G. Baker, Charles W. Colby, Ph.D., Frank A. Deans, Hon. Holland S. Duell, Wm. O'Connor, George Weston; Chauncey W. Crofoot was appointed Secretary, and Wm. C. Metzger, Assistant Secretary-Treasurer.

CANADIAN TRADE CANADIAN PORTS OTTAWA SLOGAN

A Policy on Which Both Parties Seem to Agree

From Our Own Correspondent.

OTTAWA.—There is a growing recognition in parliament that measures must be taken to ensure for Canadian interests the full benefit resulting from the development of the nation's natural resources and means of communication. Among other things, there is a determination, evidently shared by all parties, that a larger share of Canadian trade shall pass through Canadian channels.

The speech from the throne makes mention that the subject of marine insurance is engaging the attention of the government. This means that the government is determined to do everything in its power to end the discrimination in marine insurance rates that now exists against Canadian ports in favor of those of the United States. To-day, it exists not because there is more risk involved in following the more northern route, but because the underwriters, finding that they can get the extra premiums, evidently think that they may as well have them.

The government may be forced to go into the marine insurance business in order to end the discrimination, and while there would be opposition to such a step, it is undoubtedly true that if it were taken it would be generally endorsed by parliament.

Hance Logan's complaint that trade from the West Indies is coming largely by way of American railways, instead of direct through Canadian ports, is borne out by American statistics. The United States, chiefly through the United Fruit Co., takes bananas from Jamaica and Central America and re-exports them to Canada, nearly $5,000,000 being handled in this way last year. He said this business could very well be handled by the Canadian Government Merchant Marine, or other vessels sailing to Canadian ports, and there is no doubt that this is so. In order to make sure of direct importations, the member for Cumberland would place a duty on bananas imported through the United States, but he would permit those coming in direct to enter duty free.

It is one of the boasts of American business interests that the United States re-exported to Canada last year $24,000,000 of foreign products. That is, they went into the republic first and were then relayed to this country, which meant that Canadian business interests thus lost hundreds of thousands of dollars' worth of business.

MINE WORKERS LIKELY TO FORM THEIR OWN UNION

(Continued from page 1)

on "relief orders" issued by the U. M. W. locals, on the understanding that they would be redeemed with International strike funds. At first the claims of the merchants were met weekly out of district funds, and when these failed, the retailers were told they would get their money "when Barrett came back from Montreal with an International loan." But when Barrett came back he was forced to tell Glace Bay merchants that no International funds could be obtained and that they would have to wait until the district accumulated enough to pay them off. In reply to urgent telegrams from Sydney Mines merchants he made no answer at all. Now these men are wiring Lewis for some definite statement so that they can make credit arrangements with the wholesalers. The miners, of course, will not—cannot afford to—repudiate their obligations, but it will be some time before sufficient district funds are available to satisfy all demands.

If anyone had any doubts as to who will dominate the councils of the miners, these must have been set at rest by the demonstration accorded McLachlan on his release from Dorchester. On the advice of his friends, he spent Thursday at Truro, (far from the coalfields) so that he could not be charged with personally affecting the referendum. Nevertheless his release did affect it precisely as predicted by THE POST last week. The very fact that he was free again filled his followers with enthusiasm and made them contemptuous of the provisional executive and all its works.

In view of these things there should now be little question as to who is the hero of the miners and who will dominate the future councils of the workers. Even if the U. M. W. remains, it will eventually have either to consent to a reconciliation, or to submit to being run from without through a set of dummy officers.

Whatever mistakes it may have made in the past, the British Empire Steel Corporation certainly acted with speed and wisdom in the face of the crisis which arose through Thursday's vote.

Less discerning operators might have seized the opportunity to throw the men back to the original "1923 less 20 per cent." scale. Instead, Vice-president McLurg issued a statement that, notwithstanding the hostile attitude of the men, the company would continue to pay the new "1923 plus" wages and make them retroactive to January 15.

As a result of this sensible treatment, a general holiday which had been declared by the U. M. W. (unofficially) for the arrival of McLachlan, was called off, and although hundreds of men voluntarily remained idle to welcome the ex-secretary, sufficient staff remained on the job to operate the mines and raise a fair day's output.

By this means, trouble was probably averted, because the general holiday once started at such a crucial moment, might lead no one knows where. In this matter the Besco chiefs acted with commendable promptness and tact.

Consequently it seems probable that the mines will continue work as usual for some time, at least. Meantime the internal crisis grows acute and at present points to the total extinction of the U. M. W. in Canada.

Small Loans Favored By Real Estate Loan

Earnings of the Real Estate Loan of Canada for 1923 at $92,240, showed some improvement over the previous year. Net profits of $42,364 compared with $41,039. These were ample to take care of dividends and add $5,000 reserve, but the provision of an additional $5,000 for real estate reserve reduced the balance to $3,805 compared with $6,441 at the end of the previous year. Following are comparative figures:

	1923	1922
Income	$92,240	$92,037
Interest	27,558	28,290
Expenses	976	2,397
Management	14,314	13,427
Taxes	5,828	5,684
Voted to pres.	1,200	1,200
	$49,873	$50,998
Profit	$42,364	$41,039
Balance forward	6,441	5,403
	$48,805	$46,442
Dividends	35,000	35,000
Real estate res.	5,000	....
Reserve	5,000	5,000
Balance	3,805	6,441
	$48,805	$46,442

At the annual meeting the vice-president, W. H. Mickle, K.C., reviewed the company's year in Western Canada and Ontario, referring particularly to the burdens of taxes and to the undermining of mortgage security by legislation. The company has been following a conservative policy and improvement is looked for. Loans are confined to small improved city properties; in many years not more than $7,000 has been placed in one loan and there is only one loan on the books at that figure; 82 per cent. of the loans are below $3,000 and 94 per cent. below $4,000; there are only about half a dozen farm loans and all well secured.

HOPE FADING FOR MATERIAL CUT IN BUSINESS TAXES

(Continued from page 1)

Car loadings at stations in Canada during the week ended March 1, aggregated 57,059 cars, showing a revival after the depression caused by the severe storms throughout Eastern Canada February 19, 20 and 21. A portion of this increase was undoubtedly a carry over from the previous week, but coal loading showed the effect of the resumption of operations in the maritime coal mines and loadings in Western Canada were well up to previous records.

THE STEEL COMPANY OF CANADA, LIMITED

PREFERENCE DIVIDEND NO. 51

NOTICE IS HEREBY GIVEN that a dividend of one and three-quarters per cent. on the issued and fully paid Preference Shares of the Company has been declared for the quarter ending March 31st, 1924.

ORDINARY DIVIDEND NO. 29

NOTICE IS ALSO GIVEN that a dividend of one and three-quarters per cent. on the issued and fully paid Ordinary Shares of the Company has been declared for the quarter ending March 31st, 1924.

The above dividends are payable May 1st, 1924, to shareholders of record at close of business, April 5th, 1924.

By order of the Board,
H. H. CHAMP,
Treasurer.

Hamilton, Ontario, March 6th, 1924.

KERR LAKE MINES, LIMITED

61 Broadway, New York.
DIVIDEND NO. 21.
March 10, 1924.

THE BOARD OF DIRECTORS have this day declared a dividend of 12½c. per share on the capital stock of the Company, payable April 15th, 1924, to stockholders of record at the close of business on April 1st, 1924.

Books will not close.

E. H. WESTLAKE, Treasurer.

CANADIAN LOCOMOTIVE CO., LIMITED

Dividend No. 49

NOTICE IS HEREBY GIVEN that quarterly dividends of one and three-quarters per cent. on the Preferred and one per cent. on the Common were to-day declared payable April 1, 1924, to Shareholders of record, March 20, 1924.

WM. HARTY, Jr.,
Secretary.

Kingston, Ont., March 10, 1924.

QUEBEC POWER Company

NOTICE IS HEREBY GIVEN that a dividend of One and three-quarters per cent. (1¾%) has been declared on the Seven (7%) per cent. Cumulative Preferred Stock of the Company for the quarter ending March 31st, payable April 15th, to shareholders of record March 31st, 1924.

By Order of the Board.
JAMES WILSON,
Secretary.

Montreal, March 11th, 1924.

THE PORTO RICO RAILWAYS COMPANY, LIMITED

NOTICE IS HEREBY GIVEN that a quarterly dividend of One and Three-quarters per cent. (1¾%) has been declared payable on the Preferred Stock of this Company on the 1st day of April, 1924, to shareholders of record at the close of business on the 15th day of March, 1924.

By Order.
T. A. SPOOR, Secretary.

TENDER FOR DEBENTURES

TOWN OF DRYDEN

TENDERS will be received by the undersigned until the 15th day of March, 1924, for the purchase of $30,000.00 6% debentures payable in thirty equal annual payments of principal and interest, for the purpose of installing a system of water works in the Town of Dryden, Ontario.

The highest or any tender not necessarily accepted.

J. E. GIBSON,
Clerk and Treasurer.

Dated at Dryden this 20th day of February, 1924.

PENMANS LIMITED

Dividend Notice

NOTICE IS HEREBY GIVEN that the following Dividends have been declared for the quarter ending 30th April, 1924:

On the Preferred Stock, one and one-half per cent. (1½%) payable on the 1st day of May to Shareholders of record of the 21st day of April, 1924.

On the Common Stock, two per cent. (2%) payable on the 15th day of May to Shareholders of record of the 5th day of May, 1924.

By Order of the Board.
C. B. ROBINSON,
Secretary-Treasurer.

Montreal, Que., 3rd March, 1924.

THE SHERWIN-WILLIAMS CO. of Canada, Limited

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that the 51st quarterly dividend of 1¾%, being at the rate of 7% per annum, for quarter ending February 29th, 1924, upon the Preferred Stock of the Company, has been declared payable to Shareholders of record the 15th day of March, 1924, and that cheques will be mailed on March 30th next.

Books not closed.
By order of the Board.
J. H. GORDON,
Secretary-treasurer.

Montreal, February 26th, 1924.

THE SHERWIN-WILLIAMS CO. of Canada Limited

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that Dividend Number 14 of 1½%, for quarter ending February 29th, 1924, upon the Common Stock of the Company, has been declared payable to Shareholders of record the 15th day of March, 1924, and that cheques will be mailed on March 30th next.

Books not closed.

By order of the Board.
J. H. GORDON,
Secretary-treasurer.

Montreal, February 26th, 1924.

The Dominion Bank

NOTICE IS HEREBY GIVEN that a Dividend of three per cent. upon the paid up Capital Stock of this Institution has been declared for the quarter ending 31st March, 1924, being at the rate of twelve per cent. per annum, and that the same will be payable at the Head Office of the Bank and its Branches on and after Tuesday, the 1st day of April, 1924, to shareholders of record of the 20th March, 1924.

By order of the Board.
C. A. BOGERT,
General Manager.

Toronto, 22nd February, 1924.

DOMINION GLASS COMPANY Limited

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a dividend of one and three-quarters per cent. (1¾%) has been declared on the Common Stock of Dominion Glass Company Limited for the quarter ending the 31st day of March, 1924, payable Tuesday the 1st day of April, 1924, to Shareholders of record at the close of business Saturday the 15th day of March, 1924.

By order of the Board.
MERVYN OFFER,
Comptroller and Secretary.

Montreal, 21st February, 1924.

Dominion Glass Company Limited

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that a dividend of one and three-quarters per cent. (1¾%) has been declared on the PREFERRED STOCK of Dominion Glass Company Limited for the quarter ending the 31st day of March, 1924, payable Tuesday the 1st day of April, 1924, to Shareholders of record at the close of business Saturday the 15th day of March, 1924.

By order of the Board.
MERVYN OFFER,
Comptroller and Secretary.

Montreal, 21st February, 1924.

Town of North Bay Debentures for Sale

TENDERS will be received by the undersigned up to NOON, Thursday, March 27th, 1924, on the following 5½ per cent. Instalment Debenture Issues:

$16,687.08 Local Improvement (Sidewalk) in 10 Annual Instalments.
$22,000.00 Local Improvement (Sanitary Sewers) in 20 Annual Instalments.
$38,000.00 Water Works Extension and Improvement in 20 Annual Instalments.

All tenders to be made "NORTH BAY FUNDS."

The highest or any other tender not necessarily accepted.

Dated at North Bay, March 8th, 1924.
WM. N. SNYDER,
Town Clerk.

CENTRAL CANADA LOAN AND SAVINGS COMPANY

Dividend No. 160

Notice is hereby given that a quarterly dividend of *two and one-half per cent.* (2½%) for three months ending March 31st, 1924 (being at the rate of *Ten per cent per annum*) has been declared upon the Capital Stock of this Institution, and the same will be payable at the offices of the Company, Toronto, on and after Tuesday, the 1st day of April, 1924.

The Transfer Books will be closed from the 15th to the 31st of March both days inclusive.

By Order of the Board.
G. A. MORROW,
Managing Director.

BELGO CANADIAN PAPER COMPANY LIMITED

Preferred Shareholders' Dividend No. 3

NOTICE IS HEREBY GIVEN that a Dividend of 1¾% for the three months ending March 31st, 1924, being at the rate of 7% per annum on the paid-up Preferred Stock of this Company, has been declared and that same will be paid on the 1st day of April, 1924, to Shareholders on record at the close of business March 10th, 1924.

By Order of the Board.
A. DEHAUFFE,
Secretary-Treasurer.

Montreal, March 6th, 1924.

Southern Canada Power Co. LIMITED

DIVIDEND NOTICE NO. 17.

A dividend of one and one-half per cent. (1½%) on the PREFERRED STOCK OF SOUTHERN CANADA POWER COMPANY, LIMITED, has been declared for the quarter ending March 31st, 1924, payable April 15th 1924, to shareholders of record March 31st, 1924.

By order of the Board,
L. C. HASKELL,
Secretary-Treasurer.

Montreal, February 22nd, 1924.

The Toronto General Trusts Corporation

Dividend No. 111

NOTICE IS HEREBY GIVEN that a dividend of three per cent. (3%) has been declared upon the paid-up capital stock of this Corporation for the quarter ending March 31st, 1924, being at the rate of

TWELVE PER CENT. PER ANNUM,

and that same will be payable on and after Tuesday, the 1st day of April, 1924.

The transfer books of the Corporation will be closed from Monday, the 17th day of March, until Monday, the 31st day of March, both days inclusive.

By order of the Board of Directors.
A. D. LANGMUIR,
General Manager.

Toronto, February 26th, 1924.

THE WABASSO COTTON COMPANY, LIMITED

Dividend No. 25

NOTICE IS HEREBY GIVEN that a quarterly Dividend of One Dollar ($1.00) per share has been declared on the Capital Stock of the Company, for the quarter ending 31st March, 1924, payable April 2nd, 1924, to Shareholders of record at the close of business on the 14th March, 1924.

By Order of the Board.
JAS. R. RITCHIE,
Secretary-Treasurer.

Montreal, P.Q., February 14th, 1924.

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